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## A Scientific Employee Selection Program<sup>1</sup>

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THE Minneapolis Gas Light Company is a gas utility company engaged primarily in the purchase, manufacture, distribution, and sale of a mixture of manufactured and natural gas for domestic, commercial, industrial and space heating purposes in Minneapolis and fourteen suburban communities. At the present time the company has more than 1,100 full-time employees.

In the summer of 1945, when the testing program was inaugurated, the company had approximately 550 employees. At that time, new employees were hired directly by the various superintendents and supervisors. With expansion anticipated, the officers of the company determined to centralize hiring and other personnel functions in one department. Employee selection techniques were initially to be given greatest emphasis and additional and technically trained personnel were secured to develop the program.

### SELLING THE PROGRAM

Although company officers were convinced of the benefits to be derived from sound selection procedures it was nevertheless necessary to sell the program to supervisors and employees. It was expected that some supervisors would interpret the development of new hiring procedures as a verdict of failure on their part to adequately select their employees. They might also fear that other supervisory privileges would be lost,

<sup>1</sup>This is the first of several articles to be published in *The Management Record* describing testing programs used by industry. The experience of the Minneapolis Gas Light Company over a two-year period should be of interest to the Board's Associates. Mr. Jurgensen gives particular attention to the broad scope of this selection program and to how the plan was developed.

and their feelings of inferiority might lead individual supervisors to fear subsequent changes which would adversely affect their status or position. Several techniques were utilized to overcome such possible supervisory fears. Inasmuch as many fears are merely fear of the unknown, one of the fundamental techniques was to assure proper understanding of the purposes and procedures of the proposed hiring program.

Emphasis was placed on the fact that the personnel department had no desire or intent to make final selection of new employees. In fact, it was stressed that no person was qualified to do so except the supervisor who would subsequently have charge of the new employee. Supervisors were told the personnel department would function to screen out the least desirable applicants and so save valuable time for the supervisors. In the case of more desirable applicants, it would secure additional data regarding them, and would place such information at the disposal of the supervisors. Procedures of this type would, it was thought, hasten the supervisors' realization that the personnel department intended to help them rather than decrease their prestige and scope of work. Some supervisors readily accepted the veracity of this intent, while others accepted it with their tongues in their cheeks. The personnel department took scrupulous pains that this intent was actually practiced, with the result that supervisors gradually came to realize that there was no need to fear the personnel department.

Emphasis was placed on the fact that the techniques developed by the personnel department were experimental and tentative until sufficient data had been accumulated to permit rigorous analysis of their



effectiveness. This served to prevent expectation of an overnight miracle, and too enthusiastic and non-critical evaluation of the work being done—to the possible ultimate embarrassment of the personnel department in the event that some of the procedures proved to be invalid. Emphasis on the experimental nature of the work also served to show supervisors that the work of the personnel department was to be deliberately subjected to more rigid analysis and criticism than was the case with any other department or individual. As a result, supervisors not only failed to be defensive as to their efficiency or judgment, but went on to defend the work of the personnel department.

Since the company anticipated considerable expansion soon after revising the personnel department, it would have been highly desirable to test all employees in order to establish test validity and standards. This was not done for two reasons. First, attitudes of employees taking a test battery are in many ways different from those of applicants, and thus one could not be certain that test results of the two groups would be comparable. It is always necessary to follow up tests of employee groups with tests of applicant groups. Second, employees are apt to fear that test results will be used to their disadvantage in spite of any statements to the contrary. This is particularly true when the test program is being developed by an individual only recently employed by the company.

#### TEST PROGRAM GROWS

Consequently, testing was initially limited to applicants, with an experimental test battery being administered to all applicants regardless of the type or level of position applied for. The test program was then expanded to include former employees who were returning from military service. It was believed that the reactions of these persons would not be unduly antagonistic because they had had considerable experience with tests while in the armed forces and because governmental regulations assured them of reemployment in a position of like seniority, status, and pay.

As the test program became better known throughout the company, various employees came to the personnel department requesting permission to take some of the tests. Some of these requests arose from curiosity regarding the program. Some undoubtedly were prompted by a desire to obtain the good will of the personnel department. Others resulted from a desire for vocational guidance. Not only were the experimental test batteries (in part or in full) administered to these employees, but additional tests entirely irrelevant to the company were also given where the employee indicated an interest in a specific type of test. (For example, the Meier art judgment test was administered to bookkeepers and cashiers

who indicated an interest in art.) Such tests were administered for the dual purpose of giving vocational guidance and building good will toward the use of tests by the personnel department.

#### EMPLOYMENT PROCEDURE

*1. Application Blank.* The first step in the employment procedure is the filling in of an application blank. The form used was especially designed to fit into the total employment procedure. It consists of an 8½" x 11" form containing personal information on the face and work history information on the reverse side. In so far as possible, items were worded in such a way as to permit answering by means of checks. This saves the time of applicants, permits quicker grasp of contents by the interviewer, facilitates punching of data on IBM cards if desired, and facilitates scoring if items are weighted according to their significance for specific jobs. The application blank was designed to eliminate data not useful for interview purposes; for example, social security number, whom to notify in case of accident, names and ages of dependents (although number of dependents is requested), immigration and citizenship data, etc. Information of this type is obtained later for all applicants who are hired, but elimination from the application blank saves time for the applicants as the data are not considered useful to the company at this time.

*2. Job Preference Blank.* At the same time he fills in the application blank, each applicant fills in a "job preference" blank which requires him to rank, in order of importance to him, ten factors which are commonly considered to be important in deciding whether a job is good or bad. Originally developed for research purposes, this form (see Figure 1) can now be scored differentially for various types of work.

#### JOB PREFERENCES—FIGURE 1 (What makes a job good or bad?)

##### PART I

Decide which of the following is most important to you and place a 1 on the line in front of it. Then decide which is second in importance to you and place a 2 in front of it. Continue listing the items in order of importance to you till the least important is ranked 10.

All the items are important, but people differ in the order in which they rank them. There are no right or wrong answers. Answer according to how you think, not how you believe others think.

- .....ADVANCEMENT (Opportunity for promotion)
- .....BENEFITS (Vacation, sick pay, insurance, etc.)
- .....COMPANY (Employment by company you are proud to work for)
- .....CO-WORKERS (Fellow workers who are pleasant, agreeable, and good working companions)



- .....HOURS (Good starting and quitting time, good number of hours per day or week, day or night work, etc.)
- .....PAY (Large income during year)
- .....SECURITY (Steady work, no layoffs, sureness of being able to keep your job)
- .....SUPERVISOR (A good boss who is considerate and fair)
- .....TYPE OF WORK (Work which is interesting and well liked by you)
- .....WORKING CONDITIONS (Comfortable and clean; absence of noise, heat, cold, odors, etc.)

## PART II

The following data about yourself are desired for research purposes:

## 1. Sex

- .....Male
- .....Female

## 2. Marital Status

- .....Single
- .....Married
- .....Widowed
- .....Divorced
- .....Separated

## 3. Dependents (besides yourself)

- .....None
- .....One
- .....Two
- .....Three
- .....Four
- .....Five
- .....More than five

## 4. Age (of self)

- .....Under 20
- .....20-24
- .....25-29
- .....30-34
- .....35-39
- .....40-44
- .....45-49
- .....50-54
- .....55-59
- .....60 and over

## 5. Monthly salary (if unemployed give most recent salary)

- .....Less than \$100
- .....\$100-\$149
- .....\$150-\$199
- .....\$200-\$249
- .....\$250-\$299
- .....\$300-\$349
- .....\$350-\$399
- .....\$400-\$449
- .....\$450-\$499
- .....\$500 and over

## 6. Education

- .....8th grade or less
- .....Some high school, but not completed
- .....High school or vocational school diploma
- .....Diploma plus technical or business school

- .....Some college, but not completed
- .....College or university degree
- .....Advanced university degree

## 7. Main occupation

One of its major uses, however, is as an interview tool. A high rank given to "type of work," for example, serves as an excellent opening for the interviewer to get the applicant to talk about the type of work he considers ideal, what he would most like to do in the future, etc. A high rank assigned to "supervisor" similarly gives the interviewer an opportunity to find out what type of supervisor the applicant likes, how he has reacted to previous supervisors, and the like.

The job preference form is also used by the interviewer as another piece of evidence in predicting whether the applicant will be sufficiently satisfied with the company to stay with it for a long period of time. It has been found, for example, that employment stability is poor for those applicants who consider least desirable those factors which are most satisfactory within the company.

3. *Interview.* The employment interview is longer than is the case in many companies, and is based on a structured pattern involving use of a standardized interview record form. Questions are grouped in the following broad areas: work history, schooling, family and domestic background, financial status, and personal history. The order of coverage, as well as specific questions within each area, is flexible. Interviewers word questions in whatever way appears best in the particular instance. This procedure permits the interviewer more freedom than under more rigid plans, and consequently requires greater skill. It results in a less stereotyped and stilted interview than is typical of more rigidly used forms.

Following each interview, the applicant is rated on work habits, attitudes, acceptance by others, emotional maturity, appearance, experience, and schooling, as well as given an over-all rating. The first four factors are considered relatively independent of the job for which the applicant is being considered, but the remaining ratings are made with reference to a single, specific job. These ratings not only enable the interviewer to judge applicants more accurately than would otherwise be possible but also result in accumulation of predictive data which can later be checked against actual job success. This provides opportunity for subsequent training of interviewers along needed lines.

4. *Employment Tests.* All applicants are given ability and aptitude tests unless the interview indicates that the applicant should not be hired because of personality maladjustment, obvious lack of ability, or some other such factor brought out in the interview. Test batteries have been established for all major occupations within the company. These batteries are



often used flexibly, with additional tests being used in specific cases when warranted. Following the tests, the interviewer again talks with the applicant and obtains further information on the basis of test results.

5. *Physical Examination.* All applicants are required to pass a physical examination given by a company physician at company expense. The physician has been given information about various positions for which applicants are being hired. He interprets the physical condition of an applicant in light of the type of position for which he is being considered.

6. *Supervisory Interviews.* Final authority for selection or rejection of an applicant rests with the supervisor of the department for which the applicant is being considered. Emphasis has been placed on the fact that the personnel department functions as an advisory and fact-finding department, and that its purpose is not to assume responsibilities which justifiably belong to others.

#### USE OF A PATTERN APPROACH

The six-step employment procedure outlined above provides data for an over-all evaluation of the applicant. So far as possible, results from each of the six techniques are interpreted in terms of the other techniques. Tests are therefore considered as supplementing rather than supplanting other employment procedures. The interviewer interprets data from the application blank, job preference blank, interview, and tests as part of a jigsaw puzzle. These data must be put together before the total picture emerges.

This pattern type of approach has minimized the use of critical scores on the various tests. Some critical scores are being used, but they are more correctly called areas than scores. Three such areas may be established: preferable, satisfactory, and unsatisfactory. An applicant is not necessarily hired because he scores in the preferable range on all tests. Such scores are interpreted in light of other relevant data. Unusually good test scores are considered to offset disadvantages brought to light by other employment techniques, but no rigid rules have been established. Much depends on *how good* the test scores are in relation to *how bad* the disadvantages are. A similar pattern approach is used in interpreting test scores in isolation from other factors.

The pattern approach in employment assumes that people differ in degree, and that there is a gradual transition from the worst to the best. Rigid adherence to specific critical scores assumes that people can accurately be dichotomized as belonging in either one group or another, and carries the implication of sharply divided groups. Accumulated evidence in many fields indicates that the dichotomy theory is unsound, and that the degree theory is more tenable.

The use of inflexible critical scores has one major

advantage; namely, that it is based on statistical probabilities which do not require the exercise of judgment on the part of the interviewer. Unquestionably, the pattern approach requires more ability, training, and skill on the part of the interviewer than does the critical score approach. When the pattern approach is used by an unqualified employment man, the use of poor judgment will offset any benefits to be derived from the use of tests. In such a case, the mechanical use of critical scores will prove far more effective in the employment situation. If the interviewer has the requisite interpretive skill, however, the pattern approach is the more effective.

#### "SUCCESSIVE HURDLE" TECHNIQUE

The employment procedure discussed here is relatively lengthy, but is defended on the basis that it is cheaper to learn about an applicant before he is hired than to learn about his faults and disabilities afterwards.

One major way to streamline the employment procedure is to make use of the "successive hurdles" technique wherein the selection process is terminated as soon as the interviewer establishes the fact that the applicant is unsuited for employment in positions which are available or desired. For example, if an applicant states on the application blank that his minimum acceptable salary is \$250 and if the available and suitable positions carry a beginning salary of \$150 the applicant is told the circumstances and he is not interviewed or tested to determine his suitability. Similarly, if the interview indicates that the applicant is emotionally immature and lacking in stability, he is not given any employment tests because he would not be employed even though test scores were exceedingly high.

The successive hurdles technique is particularly appropriate when a comparatively large battery of tests is used. The first test is scored while the applicant is taking the second test; this second test is scored while he is taking the third test; and so on. The benefits of this procedure are increased by printing some tests having discrete parts in such way as to appear to be entirely different tests.

Inasmuch as it is easier to identify applicants who are probable job failures than those who are probable job successes, the early termination of the employment procedure occurs only with applicants who are to be rejected. Regardless of how favorable the initially obtained information may be, no applicant is hired until he has gone through the entire employment procedure.

The successive hurdle technique not only saves time for the employment department, but is also believed to be effective from a public relations point of view. It frequently avoids an applicant spending two or three hours in the personnel department only to be



told at the end of that time that he will not be hired. On the other hand, applicants who are employed after they have spent considerable time in the process, feel that they have achieved their objective in securing employment, and so consider their time to have been well spent. In fact, in some cases their attitudes are considerably improved because so much time was required. Some applicants gain increased respect for the company as a whole because of the careful and detailed method of selection. Others take the view that because the company spent so much time in their selection, their probability of job security is improved.

Use of the successive hurdle technique thus saves time for the applicant and employment man, and creates better attitudes on the part of job applicants.

#### DISCUSSION OF TEST RESULTS

Many companies refuse to discuss test results with applicants except to make a generalized statement that the applicant did or did not meet the job standards. The Minneapolis Gas Light Company, however, takes the viewpoint that test results should be covered in some detail with the applicant. Such discussion has several advantages: it satisfies the curiosity of the applicant who has spent an hour or two of his own time taking the tests and who usually is interested in his scores; it improves public relations with applicants who are rejected; and it improves morale of applicants who are employed.

When applicants are rejected, they are told that hiring and rejection are not based solely on test results, but are based on an over-all picture. So far as possible, applicants are not told that their test scores are too low for any particular type of work. Instead, emphasis is placed on the fact that their strong and weak points do not match the requirements of jobs open at the particular time. The applicant is then encouraged to get into an occupational field in which he is most apt to be happy as well as successful. He is told that all persons have strong and weak points, that all persons should try to capitalize on their strong points, and that further strengthening of present strong points may be more desirable than overcoming weak points.

Discussion of test results with successful applicants is much easier than with those who are rejected. An applicant who has good test scores and who is satisfactory in other respects is told how he compares with other applicants, what his strong points are, what his weak points are, how he can improve his weak points, what difficulties he should watch, etc. In this way, test results are not only used for selection, but also for guidance and training.

In considering test scores, an attempt is made to determine not only whether the applicant will be successful in the job for which he is being considered,

but also whether he would be more successful or happier in some other type of work. Occupational success is always considered to be relative, and no person is suited for only one occupation or type of employment. It is important to the employer, as well as to the applicant, that each individual be placed in the type of work which he can do best and in which he will progress the furthest.

Test results of applicants recommended by the personnel department for hiring are also discussed with the supervisor who subsequently is to interview the applicant. The use of a logarithmic profile chart does much to insure correct interpretation of test scores, and even those supervisors who have had considerable experience with test scores of applicants find the profile very helpful. Individual training has been given supervisors in an attempt to get them to accept the pattern-hiring approach so that they do not hire or reject an applicant on the basis of a single factor (such as test scores).

#### TESTS USED

The Shipley-Hartford Institute of Living scale is administered to all applicants. This consists of forty vocabulary items (multiple choice type) and twenty reasoning items (completion type). A ten-minute time interval is used for each part. This test provides four scores: vocabulary, abstraction, mental ability, and conceptual deterioration. Critical score ranges have been established for numerous jobs and thus it is possible to use this test for placement as well as hiring purposes.

A test called "Knowledge of Human Behavior" is administered to all applicants who will have considerable contact with the public if hired. This test, in the process of development by the author during the past five years, consists of items relating to superstitious beliefs regarding behavior of others, social insight, and knowledge of principles of getting along with others. Test scoring currently provides one over-all score. A factor analysis now being made is expected to result in separate scores for several different factors.

Two clerical aptitude tests are administered to applicants for work involving clerical functions. These tests are of the proofreading type, one involving letters and the other numbers. The time limits are five and ten minutes, respectively. Nine scores are available: speed, accuracy, and total scores for each test separately and for the combined tests.

The Bennett Test of Mechanical Comprehension, Form BB, is used with applicants for all types of mechanical work. This test has been found highly valid for many jobs within the company. It has high face validity and is of interest to applicants. Form BB is more difficult than Form AA, but has the advantage of less frequent use in Minneapolis.



A tailor-made "Pipe Coordination Test" is also used with applicants for mechanical work. This test consists of unscrewing a cap from a pipe, and simultaneously operating a foot treadle to permit a projection on the cap to by-pass obstacles on a backboard. The test was developed to measure gross coordination rather than finger dexterity such as is usually measured by similar tests. It appears exceedingly practical to applicants inasmuch as it involves manipulation of pipe such as is required on the job. The test procedure involves three parts: removal of the cap with (1) the right hand, (2) left hand, (3) both hands simultaneously. For each of these test parts, as well as the combined parts, speed, accuracy, and combined scores are obtained. The test thus provides a total of twelve scores, each of which can be validated against the criterion of job success.

Personality tests are not given all applicants regularly. Questionnaires such as the Bernreuter, Bell, Guilford-Martin, and Humm-Wadsworth have been found to be relatively useless. Projective tests such as the Rorschach and Thematic Apperception are impractical because of the great amount of time required for administration and scoring. There is also some resentment toward such tests among applicants and employees. The Minnesota Multiphasic Personality Inventory was developed with particular emphasis on deviant individuals in the hospital situation. Its use in the employment situation is frequently accompanied by resistance and objections on the part of applicants and thus adversely affects attitudes toward the test program and the company as a whole.

The Minnesota Multiphasic Personality Inventory is used in some cases—particularly with former inmates of mental hospitals or prisons, parolees, court probationers, former alcoholics, etc. It is believed that a certain amount of social welfare work should be undertaken by all employers, but that the probable future behavior should be investigated thoroughly.

In most cases of this type the use of the test can frankly be explained to the applicant and under the circumstances he is not apt to be resentful.

The "Classification Inventory" is administered for experimental purposes. This test was intended for use in the employment situation, and is being validated on jobs rather than on traits. It is designed to minimize the possibility of an applicant predicting the "best" answer. Scoring keys which have been developed to date give evidence that the test has considerable promise, but it is still considered to be in the experimental stage.

Other tests are available, but used infrequently. These include: interest tests (Kuder and Strong) for applicants who do not know what type of work they would like; mental ability tests (Pressey and Wonderlic) for verification purposes; clerical tests (Minnesota

Clerical) for verification; Wechsler Memory Scale, etc.

As evidenced by previous sections, a large number of the tests used by the Minneapolis Gas Light Company are tailor-made for this particular situation. This procedure has both advantages and disadvantages as compared with the use of commercially available tests.

#### USE OF CUSTOM-BUILT TESTS

One disadvantage of tailor-made tests is the high cost. A large number of items must originally be selected in order to have a sufficiently reliable test after the discard of items found to be invalid. The items must be placed in an experimental form, which must be tested and revised many times. A large number of test results must also be collected before the test can be refined sufficiently for use in hiring, etc. These factors make test development slow and consequently costly in terms of time, effort, and money.

The development of a particular test may require several years—frequently too long to meet the developing industrial situation. Sometimes, however, the need of a specific test can be predicted, and the early experimental work completed before the test is actually needed.

Nationwide norms are available on most commercially available tests, but can seldom be obtained on tailor-made tests. Although companies will generally find it advisable to utilize local norms in preference to nationwide norms, nevertheless it is frequently valuable to compare the general level of applicants and employees in a particular company with those of other companies within and beyond the local area.

A major advantage of tailor-made tests is that they have greater validity when the individual developing the test is as capable as those who have developed commercially available tests.

Tailor-made tests frequently appear more practical to applicants than other tests because they can be constructed to use terminology which is common within the company. For example, many reasoning tests include items such as the following: A train leaves a railroad station at 2:30 p.m. traveling at the rate of 36 miles an hour. A second train leaves the same station at 3:30 p.m. traveling at the rate of 45 miles an hour. At what time does the second train overtake the first? This question can be reworded for the gas industry as follows: A meter reader starts work at 7:30 in the morning and reads 36 meters per hour. A second meter reader starts work at 8:30 in the morning and reads 45 meters an hour. At what time of the day will the two meter readers have read exactly the same number of meters? The first of these items is likely to be interpreted by applicants as theoretical and impractical, while the same applicants



readily accept the value of the item as reworded, even though the two wordings have no effect on the type of reasoning involved or the difficulty of the item. Tailor-made tests can make free use of company terminology if it is not too foreign to the applicants.

The use of tailor-made tests also eliminates invalid test results found on a commercially available test when that test is widely used by many companies in a particular area. For example, if a given mental ability test has been administered half a dozen times to a single individual, an accurate estimate of his mental ability cannot be obtained by still another company using the same test.

Another advantage of tailor-made tests is that they can be shorter than commercially available tests. Item analysis of any such test will indicate considerable deadwood so far as a specific job in a single company is concerned. Most companies retain such invalid items in commercially available tests, but automatically eliminate them in the processes required in the development of their own test. This shorter test saves time for the applicant or gives time to use an additional test.

#### NEED FOR CONTINUING RESEARCH

The use of employment tests in the Minneapolis Gas Light Company is based on the principle that test research and development is a continuing process. The caliber and number of available applicants changes from time to time. Jobs change constantly, both suddenly and gradually. Sudden changes may require the addition or elimination of tests in a battery for a particular job, and gradual changes indicating a trend can be utilized to select or construct a test for use

in the future. Frequent validity studies must thus be conducted to insure continued efficiency of tests being used. Without continuing research, it is possible that changing conditions will result not only in using tests which have no correlation with job success, but may even penalize the best applicants and favor the worst.

Although the company has followed these employment procedures for only two years, more than 9,000 tests have been given almost 4,000 applicants. Results of this program have been highly satisfactory. Supervisors report very favorable results. Improved employment procedures have played a large part in reducing turnover more than 50% in a period of one year. Validity coefficients are satisfactory; the median of twenty-two coefficients being .40 and the range is from .25 to .80. In terms of improvement in hiring efficiency (index of forecasting efficiency) the median index is 8% and the range is from 3% to 41%. Inasmuch as the correlations and efficiency indexes are based on single tests, the validities are even higher when tests are used as a battery for a specific job.

To give the employer prompt returns, it is essential that the scientific selection program be developed by a technically trained person. Inasmuch as employment conditions and job duties are constantly changing, it cannot be expected that the procedures, once established, can be continued without change. Nor can it be expected that such a program will provide a much desired panacea with the result that employment procedures function with infallibility and eliminate all personnel difficulties. Scientific selection procedures are grossly inefficient when compared with the ideal, but are highly efficient when compared with commonly used employment procedures.

## Briefs on Personnel Practices

### Cut Pension Age

The Amalgamated Clothing Workers of America and the Clothing Manufacturers Association have announced that, beginning next January 1, the retirement age for workers in the men's and boys' clothing industry will be reduced from seventy to sixty-five years of age. Under the pension plan, which is financed by a 3% payroll contribution by employers in the industry, workers upon retirement receive a pension equivalent to that received under the federal old-age benefit system. F. B. B.

### How To Get More Employee Suggestions

Employees may be encouraged to make more suggestions if the percentage of rejections is decreased and if the awards are increased. This is indicated in a

recent report from the Aluminium Company of Canada. The company also believes that as a result of its new policies it now is receiving suggestions of better quality.

### Six Win Training Honor

As part of its policy to promote from within the organization, the West Penn Power Company has just announced the names of the six men selected for its first apprentice training course. The course has been designed to provide trained personnel for more responsible jobs as openings occur.

The selection process began almost six months ago. Arrangements were made with a local vocational counseling service to carry on the first screening. Out of 218 applicants, twenty-seven survived. These men



were interviewed by company officers, tested further and their employment records with the company reviewed. On the basis of this full information, the six winners were chosen. They now enter a 35-week training course.

#### **Education for Life Insurance Workers**

Fifty-eight employees of the State Farm Insurance Companies have passed a total of 195 examinations given by the Life Office Management Association Institute during the fifteen years that the latter body has been in existence.

The purpose of the LOMA Institute is to give the individual life insurance worker a broader understanding of the business than he is likely to obtain in the course of doing his job day by day. Almost two hundred life insurance companies are now members of LOMA.

#### **Insurance and Pension Plans**

Insurance or pension plans were in operation in nearly half the 15,636 establishments surveyed by the Bureau of Labor Statistics during 1945 and 1946. Life and health insurance plans were the most prevalent type of coverage, with 37% of the total companies carrying life insurance and 30% having some kind of health benefits. Pension plans were found in only 5% of the establishments.

Both manufacturing and nonmanufacturing establishments were included in the survey. Coverage in manufacturing establishments was restricted to apparel, chemical, metalworking, and textile industries. In the textile industry, 60% of the companies operated pension or insurance plans, while 55% of the apparel companies and 56% of the chemical concerns had such programs. The metalworking industry was lowest in rank, with 44% of the establishments having pension or insurance plans. F. B. B.

#### **Suggestions Are Better**

The Ohio Rubber Company's suggestion system showed steadily increasing gains in the six-month period ending March 31, 1947, with 489 out of every 1,000 employees turning in suggestions. More than 26% of the suggestions submitted were adopted, a marked jump over the 18% acceptance rate in 1945, when 198 out of every 1,000 employees turned in ideas.

#### **Management at Work**

Servel, Inc., of Evansville, Indiana, has just inaugurated an employee newsletter, sent out monthly to all employees at their homes by each employee's superintendent or department head. It provides a

play-by-play description of management at work, and aims to explain the immediate problems and objectives of management, to give news on current divisional and departmental operations, and to provide employees with advance information or at least an explanation of the thinking which lies behind various actions taken by management. L. L.

#### **Suggestion System Clicks**

Over thirteen thousand suggestions were submitted during the first six months of the Chesapeake and Ohio Railway's recently inaugurated employee suggestion system. Cash awards of more than \$15,000 have been paid to employees for 989 adopted suggestions.

#### **Goodrich-Akron Program Stepped Up**

The B. F. Goodrich-University of Akron Institute is offering employees of the rubber company a greater variety of after-hour classes than ever before. Sixteen courses are listed. Three are so popular—Human Relations, Motion Study and Work Simplification, and Sales Correspondence and Business Letters—that two sessions will run concurrently. The classes meet after work for two hours weekly for a twelve-week period. Tuition is four dollars per subject. Instructors are selected from the company and the university faculty.

#### **Clock Watching Ended**

Implementing a new and expanded management relations policy, the Ford Motor Company has ended the requirement that white-collar employees punch time clocks. More than 20,000 employees are affected by the new policy, including over 6,000 foremen.

#### **A Management Development Program**

Supervisors of Owens-Illinois Fiberglas recently completed the first phase of the company's current management development program in a series of fifteen one-hour weekly meetings. Started after a three-day conference on "understanding people," the first six sessions were based on the function of a manager to plan, direct and supervise the efforts of others.

In subsequent meetings, supervisors were required to submit reports on evidence of waste in time, motion, materials and utilities in the plant; to make a survey on one of the jobs under their supervision; to practice handling various supervisory situations; to rate each other on leadership qualities and to learn how to use effectively the company's "manpower memo" as a means for understanding employees better as individuals. L. L.



## Survey of Management Problems

# Youth vs. Age

*QUESTION: Does your company have a definite policy with respect to a maximum hiring age? What, if any, is your company's maximum hiring age? What is your placement policy for older workers who "slow down" before normal retiring age? According to your experience, how do older workers compare with younger workers with respect to quantity and quality of production, cooperation and dependability?*

**P**ROBLEMS surrounding the employment of aging workers may not be so ominous as many people assume if the experience of the great majority of the cooperating companies is representative. At the same time, the potential seriousness of the situation is poignantly set forth by one cooperator who prefaces his remarks with this solemn reminder: "The average age of our population is on an upward trend. This means that there will be fewer and fewer of the people we are accustomed to think of as 'young' to do the world's work. . . . Industry generally has not yet recognized that it will be drawing its man power from a pool of workers that is gradually increasing in average age."

### DO SUPERIOR WORK

More than one out of every three of the cooperators assert that, in general, older workers in their companies are as dependable and cooperative, or more so, than younger employees. The majority report that the quality of work produced by the older employee is superior to that of workers in the younger groups. But with respect to quantity of production, this superiority exists in only one out of three companies.

A significant number of cooperators hesitate to compare the work of older employees with that of younger men and women. These replies emphasize that the situation varies considerably with the individual as well as with the type of work. A summary of these observations seems to indicate, however, that the value of the older worker tends to diminish less in skilled rather than unskilled jobs, in work requiring judgment and experience rather than vigor and enthusiasm and in nonrepetitive rather than repetitive jobs.

The tight labor market of recent years has forced most of the cooperators to hire employees further advanced in years than those who would have been considered for employment before the war. Experi-

ence with these newly hired workers added to the experience with older workers of long seniority has in numerous instances revealed the desirability of establishing carefully determined physical standards instead of maximum age limits to be applied in recruiting and selecting new employees. In fact, only one out of ten companies has a definite policy with respect to a maximum hiring age. Among these companies with a definite policy, maximum hiring ages range from forty-five to sixty-five. Most of the companies having a maximum hiring age of sixty-five report that few individuals between fifty and sixty-five are actually engaged.

### AGING VARIES

It is primarily the companies with no maximum hiring age who stress the point that chronological age is not a reliable measure of ability to perform satisfactorily. In these companies, all candidates, regardless of age, are appraised in terms of the physical as well as the mental requirements of the job. The result is that frequently the oldest of several applicants is hired with highly satisfactory results.

Although 90% of the cooperators do not have a formally stated maximum hiring age policy, applicants above certain ages are rarely hired in approximately a third of the companies for a variety of reasons. Sixty-five, the most common age of retirement under company pension plans, is the most frequently mentioned. Several companies having retirement plans report that because of the qualifying provisions of the pension plan they rarely engage a candidate beyond specified ages. These vary about equally between forty-five, fifty, fifty-five and sixty. Two companies engaged in a "fast, hard-hitting business" hesitate to employ applicants over forty.

Aging workers who begin to "slow down" are shifted to suitable jobs in practically all of the cooperating companies as a regular procedure. In most instances, the rate of pay is adjusted to conform to the new job although several companies have the policy of paying the top rate of the new job under these circumstances. In about 10% of the companies, the aging worker who is transferred continues to receive his regular rate. Diminishing efficiency among older employees is "overlooked" with no transfers or rate adjustments being made in two of the companies. In one large retail establishment, older employees "tend to leave the company."

In addition to these procedures, several companies



follow the medical director's recommendations for early retirement in specific instances. In such cases, three of the companies supplement the retirement plan with separation pay and one company has, on occasion, made lump-sum payments where no regular benefits are due.

Excerpts from replies received are as follows:

"We have no maximum hiring age as such. Generally we have a preference for younger and middle-aged workers, although we will take rather elderly men when they have special abilities that are needed, and very frequently for such unskilled jobs as sweeping, cleaning, etc. Our policy on this point is a very flexible one, but at all times we attempt to obtain the new employee who represents the greatest value for the labor dollar we are spending. Very frequently older men fill this bill.

"As regular duties become too arduous or taxing for older workers we almost invariably find lighter duties for them. Older workers who are thus transferred are paid the rate of the new job."

\* \* \*

"I find it hard to make any generalization on the desirability of younger workers as compared to older workers. I have seen young men who for short periods of time turn out huge quantities of work. At the end of the day, however, the older worker by sticking steadily on the job has produced more pieces.

"As to cooperation, some old men are cussed, and some young men are too independent. Generally, however, the older workers are a bit more dependable, especially from the standpoint of being present on the job. The object, I think, is to obtain a balanced working force containing equal numbers of young, intermediate and older workers."

\* \* \*

"Before specifically answering your four questions it seems necessary to give you a partial background of our situation here, which is an unusual one on an overage group. This company had its largest growth during the tight labor market at the peak of the war. Anybody from anywhere who could walk was employed. This group was a major factor in organizing our present union—of course, for the purpose of security. This was not the only reason, but was a strong contributing factor. At the present time the average age of our hourly wage employees is about fifty-four years. That is approximately eighteen years out of line with the average. Now to answer your question specifically.

"There is no definite policy with respect to a maximum hiring age and no maximum hiring age.

"In the main, 75% of our jobs are not too taxing upon physical energy. We are intimately acquainted with the physical demands of each specific job in the plant, and we have been able to juggle our employees, the handicapped and overaged, into jobs where they can fairly well give value received for wages paid. The union cooperated with us in this respect. We have a physical examination and classifications. Employees are classified, physically, as A, B and C. A indicates that the employee is physically able to perform any job in the plant. B serves as a flag that we should take a look at the person in relation to the job so that we get the employee into the kind of a job that he or she can

perform to the maximum. C is a classification which has great limitations and unless the job is one for which the employee is physically equipped to perform satisfactorily it must be adjusted to fit the particular need of that employee. Performance is a requirement on all jobs. If an employee cannot perform in any available occupations then the employee is put on a conditional layoff group, subject to call when and if a job opens that the employee can satisfactorily fill.

"Since our group is generally considered overage, we have been pleasantly surprised to find that in quality and quantity, cooperation and dependability our workers have been unusually good.

"I am afraid we are not a representative group. We have now exhausted our recall on older male employees. Naturally the hiring will be in a somewhat younger group, but since we have a seniority policy it gives the older employees the choice of jobs. Any younger persons hired will go into the straight labor group. Mention should be made that our seniority policy has been very helpful in solving many of the overage group problems."

\* \* \*

"When an employee is unable to perform his job because of illness or other disability, we may find it necessary to recommend early retirement. This is done only with our physician's sanction.

"In the case of other types of 'slowing down,' we make an effort to transfer the individual to jobs of less demanding requirements. Sometimes this means a lower rate for the job, and it is conceivable that if the employee is over sixty, he may choose an early retirement instead.

"In instances where performances are established below standards and there are no retirement benefits available, we may pay the employee a lump sum in settlement for his services."

\* \* \*

"We have no maximum hiring age.

"It has always been our policy to give older workers consideration. As an employee becomes less able to withstand the burden of his responsibilities, wherever practicable, his duties are lessened in proportion to his infirmities.

"Our experience has indicated that older employees are more stable workers. Whenever advanced age restricts the quantity of a worker's production, the maintenance of quality through greater care and deliberation usually compensates for any lessening in quantity. Older workers are prone to be fully cooperative and highly dependable. The faithfulness and loyalty of older workers, particularly long-service employees, have contributed in no small degree to the progress of our company."

\* \* \*

"Our retirement plan, effective January 1, 1945, provides for compulsory retirement at sixty-five, with early retirement rights for employees who have ten years of service and are fifty-five. Since the adoption of this retirement plan our maximum hiring age has been tentatively set at forty-five, although we have made some exceptions in cases of professional employees.

"Our union agreement provides: 'An employee with twenty



or more years of service with the companies who becomes incapacitated so as to be unable to perform his regular work to the satisfaction of the companies may, in the sole discretion of the companies, be placed at any work he can perform at an appropriate rate of pay. Appropriate rate of pay shall be determined by the companies in relation to the circumstances in each individual case but shall not exceed the maximum rate of pay of the position to which he is assigned, unless such employee is sixty or more years of age. In that case his existing rate shall not be lowered by virtue of his assignment to the lower-rated job. However, our past practice has been more liberal than that provided for in the union agreement.

"The cooperation and dependability of the older employees, as a group, is better than that of younger workers. The older workers' quality compares favorably with younger workers, but quantity is limited."

\* \* \*

"We do not have a definite maximum-age hiring policy although full consideration is given to this factor in our preemployment physical examinations.

"Older workers who slow down before they reach retirement age are assigned to lighter work loads, usually at correspondingly lower pay rates.

"It has been our experience that older workers are likely to produce better quality and be generally more dependable than younger ones."

\* \* \*

"A worker cannot be hired who is over sixty-five years. An applicant over fifty would not be given consideration unless he had a skill that could not be matched by an available younger man.

"Older employees who slow down are carefully handled and placed on easier jobs whenever possible. Employees with service exceeding ten years are given more consideration than shorter service employees.

"Our experience has been that older workers, with experience in our methods, are better than younger workers in quality of production, cooperation and dependability. Often, however, their quantity of production is less, but this is offset by their knowledge of our methods, short cuts, etc., which results in better quality of work and less scrap. At our plant, 2,500 out of 5,400 employees have service in excess of ten years."

\* \* \*

"Health and general physical condition are the determining factors in hiring.

"We make every effort with our older workers to place them in some sort of work that is commensurate with their ability and physical condition. A provision in our current labor agreement says, 'the company shall make every effort to transfer those employees, who for medical reasons are no longer able to perform satisfactorily their current job duties, to work commensurate with their capabilities. In the event such transfer is to a low-rated job, the employee shall take the rate for that job.'

"As far as cooperation and dependability are concerned, our older workers surpass our younger people. It would be difficult to draw any comparison with respect to quantity and quality of production between the older and

younger workers. Our experience has been that such differentials relate primarily to health and physical condition. There are some men in our plant over sixty-five years of age whose quantity and quality of output surpass that of many of our younger men. I feel it safe to say, however, that where physical condition and health factors are relatively equal, the old employee will turn out better and more production than the younger men."

\* \* \*

"It is a definite policy of our company not to set a maximum hiring age as such. Employees, however, under our retirement plan are required to retire at sixty-five and, to date, no exceptions have been made in this policy. We are reluctant to hire a new employee within a few months of retirement age. With the present man-power shortage, however, we are currently hiring some who are in their early sixties. As man power becomes more plentiful and we can be more selective, the tendency will be to automatically reduce the number of older applicants hired in favor of somewhat younger applicants who are better qualified to perform the work. We do not, however, intend to adopt a maximum hiring age as such, believing that there is no direct relationship between the age and the physical condition of employees.

"Where older employees slow down before normal retirement age we do not remove them from their regular assignments unless their condition is such that it requires a transfer to lighter work. Whenever this is done an attempt is made to find work carrying the same or similar rates and no exception is made to a rate on a given job because of the age or length of service of the employee.

"Although there is some indication that older employees are inclined to 'control' production, we believe that mature employees are in general more cooperative and dependable than younger employees. The younger employee is almost always stronger than the older employee but often lacks the experience which enables the older employee to produce more efficiently."

\* \* \*

"We have no policy except that we do not hire women over the age of sixty nor men over the age of sixty-five. Our retirement plan calls for the retirement of women and men at these ages. We might add that, in the years preceding the effective date (June, 1937) of our formal insured retirement plan, we were somewhat reluctant to hire older employees since the potential retirement income liability from the current funds under the informal uninsured plan was much greater than it is today under the insured plan. Now that we have a formal program where the employees and the company contribute to provide a substantial insured retirement income following retirement age, such a liability has been removed.

"We do not have any specific policy for older workers who 'slow down' before normal retirement age. Naturally there are some instances which periodically develop within the company, and such cases are handled in the normal manner of transferring such employees to work that is more in line with their capabilities both physically and mentally.

"Our experience with older workers has been splendid, and we cannot say that we have had any real problems in such matters as quantity and quality of production, co-



operation and dependability. In some cases we have had difficulty in securing older workers' cooperation, particularly where younger workers have, because of superior ability, been advanced to positions either indirectly connected with older employees or directly involving supervision of the older employees."

\* \* \*

"We are facing a possible necessity for a hiring policy on age. This arises from the installation of our retirement plan as of September 1, 1945. The plan provides a minimum retirement income of \$25.00 per month to any employee who has reached normal retirement age (ordinarily sixty-five) and has had fifteen years of service. An employee hired after fifty would not qualify for the minimum \$25.00. Although our plan must be looked upon as supplementing the Society Security old-age insurance, it may be impractical to retire an employee hired at age 51 with only \$8.00 or \$10.00 monthly retirement income.

"Since we have a five-year service requirement for original participation, a man hired beyond sixty would never be eligible for any participation in the retirement plan."

\* \* \*

"There is no definite policy with regard to a maximum hiring age. However, to be eligible for a pension at sixty-five an employee must have had twenty years' service. It would not be very satisfactory to a person hired at fifty-five to have to leave the company ten years later at sixty-five and not participate in pension benefits. In individual cases there are some employees who have been hired with the knowledge that they will not qualify for a pension at age sixty-five. This is clearly and definitely pointed out to them at the time of employment."

\* \* \*

"We do not have a definite policy with respect to a maximum hiring age.

"One of two alternatives is followed in the handling of older workers who slow down before retirement age: (1) they are left on their current jobs with portions of their duties assumed by other members of the department, thus making the job conform somewhat to their abilities; (2) they are placed on jobs with less exacting requirements such as elevator operators, watchmen, or other positions on which their capabilities can be utilized.

"We feel that the quantity of work would decline for those beyond fifty-five; whereas the quality of work, the cooperation and dependability would probably be greater than for younger workers.

"We have always felt it was good economy and good management to take good care of our older employees, realizing that although many could be replaced with younger persons who could produce more, we might pay more in terms of the morale of other employees than we would save by better performance on a few individual jobs."

\* \* \*

"Our company does not have a definite policy with respect to a maximum hiring age, but we are very cautious in hiring people over forty-five and insist that they give us a clean bill of health from our examining physician.

"We find that in our more repetitive operations we can-

not use people over forty-five; younger people, particularly younger women, seem to have the necessary dexterity to perform repetitive operations rapidly.

"Usually, a man or woman does not actually slow down appreciably before the age of sixty, and, with our well-established profit-sharing plan, we have the option of retiring them at sixty unless both the employee and the company are willing to continue the services of the individual on a compatible basis."

\* \* \*

"We believe that every effort should be made to retain older workers who 'slow down' prior to normal retirement age by placement in positions more suited to their capabilities. This does not represent as great a problem for us as for other companies which must depend on the production of physical goods; however, we have had instances of this nature. We do not believe in creating 'make work' jobs but prefer to explore every possibility in existing categories with a view to placement. Barring placement, provision for retirement prior to the employee's normal retirement date at the company's option is included in our retirement plan.

"From my experience the quality of production, cooperation and dependability of the older, matured worker in production jobs is better than that of the majority of younger workers. Generally, the older worker has developed a definite philosophy of work in addition to being, in most cases, subjected to the steadying influences of greater responsibility that go with families and property ownership."

\* \* \*

"We find that our older workers with long service are extremely conscious of the quality of production, and their 'know how' from years of experience has made them more dependable than the younger people who have recently entered the labor market. Even though they have slowed up physically, their quantity of production keeps within 20% of the newer workers."

\* \* \*

"We do not have a definite policy with respect to a maximum hiring age. Like most companies we try to find an individual who is both physically and mentally qualified to do the job. Ordinarily in active manual operations such as you find in a paper mill, men above fifty are not so well qualified for many of these jobs. As a consequence, we find ourselves searching for men who are younger. On the other hand, if we should find an exceptionally well-preserved individual who had the experience necessary and who we felt could do the work, we would not hesitate to hire him, providing his age did not limit a reasonable number of years ahead.

"We have always made it a policy to do our utmost to find work that our older employees are capable of performing. This is borne out by the fact that we have in our organization 130 employees who have had more than twenty-five years of service, and a few who are bordering on fifty years of service. When an employee is transferred because of inability to perform his regular work to another job, he receives the rate for the job to which he is transferred. It has been our experience that most of these men are very grateful for the opportunity to continue.

"We have many men who are well above fifty who out-



perform younger men, principally because they have had long experience and are regarded as efficient in their trade. There is no general rule, however, on this subject but the fact that we do have a large number of older employees coupled with the fact that our production rate per man hour has not deteriorated provides the answer."

\* \* \*

"We have not had too much experience yet, but our tendency has been to transfer older employees to jobs which they are capable of handling under the circumstances. In such cases, we would pay the rate of the job to which the employee was transferred. Older workers on piecework particularly tend to turn out less production as they approach retirement age. If the employee is not handicapped in other than physical strength, as a rule we have better quality than with younger workers. Older workers decidedly cooperate and are more dependable as a group than younger workers. We don't feel, however, that this has as much to do with age as it has to do with the times. Both groups formed their habits from the conditions which existed during their first five to ten years of employment."

\* \* \*

"We do not have a maximum hiring age. The problem of satisfactory placement for older workers who slow down before normal retirement age is one of the toughest problems of personnel administration. In practice our policy has been to overlook some slowing down on the part of older workers providing the inefficiencies are not too flagrant. This applies to both sedentary and physically active jobs. Certainly it is a fact that there are a number of older employees now on our payroll whom we could easily replace with more efficient people. Where the slowing down is serious or where obvious physical incapacity prevents the employee from performing the full duties of his job, our practice has been to find the best job which the employee can perform with acceptable efficiency and make only whatever salary adjustment is necessary to come within the maximum of the salary range for the new job."

\* \* \*

"Because of the tight labor market we have been hiring men who are able to perform work in our plants regardless of age. Normally, however, the fact that our union rules in most plants require that men start at labor work sets an automatic limit on availability for employment inasmuch as men of advanced age would be unable to perform the hard physical work. There is no set policy, however, and if a man of advanced age but in good physical condition presents himself we are glad to hire him."

"Workers in our plants who slow down before reaching retirement age are able to select other jobs in the plant more in keeping with their physical ability. We have a clause in our union agreement as follows: 'Physical examination of employees or groups of employees shall be made from time to time. Should any examination disclose that a transfer to another department would be beneficial from a health standpoint, the employee shall be consulted and the transfer made. A transfer for this reason is not to be considered a violation of the promotion schedule.'

"In our experience the best situation is where there is a distribution of older and younger men working together."

"This question of chronological age is difficult to approach because of the fact that it is the physical age that determines whether a worker produces satisfactorily or not. We have rehired a blacksmith in his eighties who has performed better than younger men but this was due to the fact that he was in perfect health. On the other hand, a man in his fifties who is dissipated or chronically ill is obviously not able to do a good job."

\* \* \*

"We have a maximum hiring age of fifty because we require that an employee be with us fifteen years prior to age sixty-five in order to receive retirement benefits. We make exceptions to this policy in the case of older men hired for positions as packers and janitors."

"Our policy regarding older workers who slow down before normal retiring age is to attempt to place them in positions with lighter duties. This applies particularly to long-service salesmen who are put in office positions in our wholesale divisions."

"Our experience is that older workers are generally more cooperative and dependable than younger workers but the quantity and quality of their work is usually affected by their older age."

\* \* \*

"There is no over-all company policy with respect to maximum hiring age."

"Although there is no definite over-all company policy, my impression is that, given a choice of two or more otherwise equally qualified candidates for a position, the younger man would be given the preference. In the case of salaried employees we have a very liberal retirement policy, but an employee entering the retirement plan at any age over fifty-five would not receive an adequate retirement allowance. In the case of hourly rated manual workers, we have no formal retirement plan, but it has been company practice in the past to make some allowance for the retirement of older employees at a minimum rate. In such cases, regardless of length of service, a retired employee would receive not less than this minimum rate. If, therefore, we were to hire an employee over fifty-five, in most cases he would receive a pension equal to that received by employees who might have been hired between the ages of fifty and fifty-five. While, therefore, we have no definite policy, I believe that actual practice would, in most cases, limit our hiring to a maximum of fifty-five."

"Older employees who are unable to carry on the duties of their position before normal retirement age are usually placed in jobs that they are capable of filling. In the case of hourly rated production and maintenance employees, they receive the maximum rate of the job to which they are assigned. In the case of salaried employees, it is based on quality of past performance and length of service."

"It is difficult to answer your last question at the present time, because of several situations created by the war. In the case of hourly rated employees, and speaking very generally, I think we should say that for our employees who worked with the company prior to and during the war, and who are, therefore, over thirty-five, we find production rates and quality generally higher than those of employees up to approximately age thirty. This is not a question of physical ability as much as it is attitude toward the company"



and the job. Therefore, I believe that we would find employees between the ages of thirty-five and fifty-five more productive than employees between the ages of eighteen and thirty. Employees between thirty and thirty-five, will, depending on a combination of various circumstances, pretty well divide themselves between the two other groups as far as productivity is concerned. In any case, I have found little tendency in my contacts in industry to apply the forty-year limit that was prevalent in industry during the Twenties."

\* \* \*

"We have no definite policy that limits hiring individuals. As you know, our retirement plan specifies retirement at sixty-five and, in a general way, this does have some bearing.

"With relation to older workers who slow down, it seems to us the solution is proper placement. This will permit such persons to produce very effectively. It is sometimes necessary where the job or the persons change to do a retraining or readjustment job. If this is done well, they very often produce as well as, or better than, younger persons."

\* \* \*

"This company does not have any definite policy with regard to a maximum hiring age. We would be reluctant to adopt such a policy, chiefly because of the unfortunate psychological effect such a policy has upon men of mature years who are looking for work; and, secondarily, because there are frequent instances in which a specific skill is being sought, and age is not a serious factor."

\* \* \*

"Our experience with older workers has been good, perhaps because of our attempt to place them in jobs where their experience can be used to advantage. In some positions, the experience and dependability of the worker are more important than the quantity of work turned out.

"We have a number of examples in many types of work where older workers are not only happy in what they are doing but where they are very efficient and productive relative to the compensation they are receiving.

"Perhaps one of the reasons why a formal policy on older workers has not been required in our company is the fact that we have had a profit-sharing retirement in effect for some time which tends to make the transition from employment to retirement or partial retirement a voluntary and fairly pleasant experience.

"Under this plan, our people can build retirement estates which become payable at age 50 at the company's option or at age 57 at the employee's option. This early age at which an employee may receive his entire estate has great appeal and you can readily understand how a man may start thinking about the benefits of retirement and then carry through such a plan, particularly when he has some financial resources to carry him along.

"As our profit-sharing plan matures and estates grow larger for career people, we feel confident that we will probably never be required to adopt a formal policy covering older workers."

S. AVERY RAUBE  
*Management Research Division*

## "How to Read Your Future"

Details about pensions for wage earners are a dull subject to the ordinary worker. Normally employees are not interested in them unless they are nearing middle age or unless the advantages of the plan have been presented to them in an attractive manner. Union leaders claim that one of the reasons why the Ford Motor Company employees voted against the union-negotiated pension plan was that the employees did not clearly understand the proposal.

The actual text of the formal pension plan obviously does not stimulate employee interest, as it is necessarily legalistic in phrasing and confusing to the layman unversed in law. To overcome this difficulty, many companies issue special employee booklets shorn as much as possible of technical language.

The General Mills, Inc., has gone one step further in explaining its employees' retirement system to employees. It has issued a booklet, "How To Read Your Future,"<sup>1</sup> which starts with the question, supposedly asked by a new employee: "I have just become one of the General Mills 11,000 employees. I am 25 years old. I have a job as sweeper in one of the mills. What's ahead for me?"

During the next forty years, the employee muses, one of three things is bound to happen,—either I will retire, die, or leave the company for one reason or another. All these possibilities, however, the booklet points out, are covered by the General Mills Employee Retirement System.

Through a series of cleverly designed cartoons with simply worded text, the booklet explains the details of the plan and what the employee may expect of it. "Financially speaking," it explains that there are three possible ways the employee may retire from the company. The accompanying cartoons illustrate these three conditions and how much the employee may expect to receive as a pension if he retires at age sixty-five.

The booklet also explains the benefit which the employee will receive if he retires at fifty-five instead of at sixty-five, the provision for death benefits and disability pensions. It also contains a table which permits the employee to compute his pension readily.

The format of the booklet is very attractive. Pages are twenty-two in number and are roughly 8½"x11" in size. Cartoons predominate on many of the pages and the type is large throughout.

F. BEATRICE BROWER  
*Management Research Division*

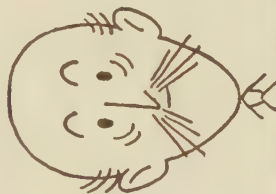
<sup>1</sup>Copyright by General Mills, Inc., 1947



I can retire at age 65



I might retire between 55 and 65  
under certain conditions . . .



I can retire after 10 years  
of creditable service if I become permanently and totally disabled, regardless of my age.



I expect to make a million some day.  
But in the meantime I'm going to figure my future very, very conservatively. Let's say that my average annual compensation from General Mills during the next 40 years will amount to  
**\$3,000**



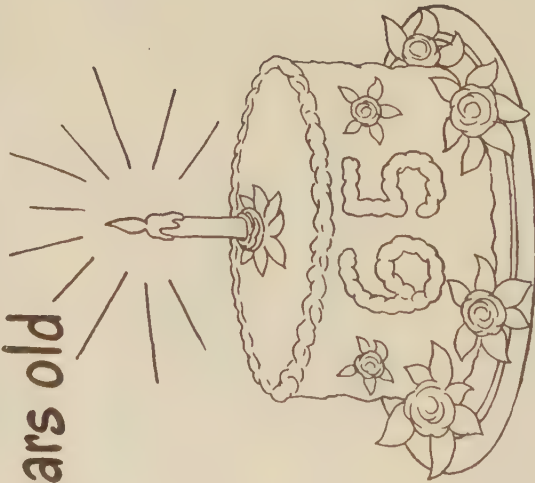
Now we'll see what  
that does for me  
under the ERS . . .

**TAKING IT EASY** —The 89 members who retired last year are now getting regular monthly checks from the System. Altogether there are now 357 people on the retired list.

**IT'S A FACT**—In 1946, 67 were retired at 65, seven were retired between 55 and 65, and 15 were retired because of disability.

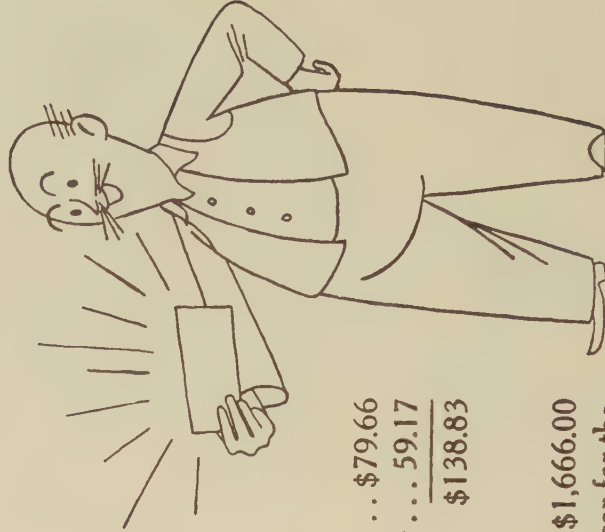


On November 15, 1986 I will be  
65 years old



If I'm still with the company then, I'll be in line for retirement. Actually, my official retirement date will be December 1, 1986, and two weeks later I'll receive the first of my monthly retirement income checks.

My monthly income will  
amount to \$138<sup>83</sup>



ERS.....	\$79.66
Social Security ...	59.17
	<hr/>
	\$138.83

This comes to \$1,666.00  
a year every year for the  
rest of my life.\*

**PENSION ROLL**-Since its beginning in 1940, ERS has paid out in retirement benefits a total of \$786,364.

\* Actually, insurance companies say I will probably live 14 years after I retire at 65.



## Where does the money come from?

About half comes from me, and half from the company for my current service. During my years on the job I pay in 1.9% of my earnings to ERS. This provides an annuity at 65 of \$478.

The company matches this with another annuity of \$478, making a total of \$956 which I will receive from the Retirement System.

Add my Social Security Benefit of \$710—and that's where I get my annual income of **\$1,666**

Of course if I made more money, my check would be bigger. But no matter how you figure, I don't believe I could buy so much financial security for so little in any other way.

*Suppose I had worked for General Mills before January 1, 1940?*

If I had worked for General Mills more than five years before January 1, 1940, a prior service pension based on my earnings and length of service would be paid for entirely by the company in addition to my allowance for service after January 1, 1940.

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**MORE THAN AN EVEN BREAK** — During 1946 the average member paid \$87.37 while the Company paid into the ERS an average of \$174.87 for each member.

## I can retire under Option 1.

Instead of taking \$956 per year from the ERS with no further benefits to my wife after I die, I can take \$682 per year from the ERS and after I die this same amount will be paid to my wife as long as she lives. (We are the same age).

or

## I can retire under Option 2.

Instead of taking \$956 per year from the ERS, I can take \$812 per year as long as I live and after I die \$406 per year will be paid to my wife for the rest of her life.



## Trends in Collective Bargaining

### On the Domestic Scene

The expected third round of wage increases for union labor has not so far assumed the proportions that were expected in many quarters. Fringe issues such as vacations with pay, holidays with pay and overtime questions, incorporated into labor agreements during the reign of the War Labor Board, are continuing to be part of the collective bargaining agreement.

Political action by labor unions continues to vary considerably between the AFL and CIO, although there seems to be unanimity in both camps (with one or two exceptions) against the formation of a third party for the 1948 elections. One reason advanced is that a third party would be at best a party of unionists rather than a cross section of the population and that if a third party sponsored by labor unions is to become part of the American scene, it should have considerable middle-class support.

The American Federation of Labor is continuing its broadsides against "slave labor," through its publication, *International Free Trade Union News*. The October, 1947, issue carries an article by Matthew Woll, vice president, American Federation of Labor, which attacks forced labor service by the governments of Britain, France and Russia. Mr. Woll writes that "the British Labor Government would help the good name of world labor considerably if it were to release immediately all of its several hundred thousand prisoners of war. . . . The government of France still holds 600,000 German war prisoners in forced labor battalions. . . . In Russia, 10-15,000,000 human beings are the victims of the Soviet's peculiar criminal code provision euphemistically called 'corrective labor.'"

Leaders of CIO and AFL unions agree that the first round of the battle over the Taft-Hartley law will be fought in the courts. This policy will probably be followed until the Presidential election of 1948, when labor hopes it will elect enough representatives to change the provisions of the Taft-Hartley law.

As in the past, there is considerable difference of opinion as to whether unionists will be enough of a homogeneous political force to "elect their friends and defeat their enemies" on November 7, 1948. The leadership of both great labor federations includes followers of various political banners.

Recent public opinion polls indicate that the majority of the workers interviewed favor certain passages of the Taft-Hartley law. But union leaders

claim that these polls do not represent the opinions of their members. Most labor spokesmen seem to feel that many of the provisions in the Taft-Hartley law will be subject to various decisions by federal district courts and that the effective legal interpretations will not be forthcoming until the new law reaches the Supreme Court. Federal district courts, however, have considerable power to issue injunctions which would prevent secondary boycotts and jurisdictional disputes from interrupting the flow of interstate commerce.

### World Labor News

Although many member states affiliated with the International Labor Organization have compulsory government rulings regarding labor-management bargaining and labor unions, the ILO initiated a policy at its Geneva Conference in July which is designed "to achieve the earliest possible adoption of a series of International Labor Conventions—or treaties—on freedom of association, protection of the right to organize and bargain collectively, and international machinery to safeguard freedom of association."

Should there be further discussion between the proponents of the freedom of association at the ILO and those who believe in complete state control, this program is due for very stormy discussion at future ILO sessions.

The World Federation of Trade Unions is continually under attack by AFL trade unionists who believe that the WFTU is dominated by the Russian Government. The director-general of the ILO, Edward Phelan, has stated the ILO and the WFTU have their own separate spheres of action and there can be no rivalry or conflict between them because in many respects "they have common aims and can strengthen one another."

Among the questions discussed at the ILO meeting in Geneva was the issue of voluntary arbitration of labor disputes. This is a difficult question to discuss at ILO meetings since many states contributing to the organization have compulsory arbitration legislation governing labor-management relations.

The thirty-first International Labor Conference will be held beginning June 17, 1948, in San Francisco, and among the items on the agenda will be freedom of association, collective bargaining, arbitration of labor disputes, wages, visual guidance and other matters relating to the establishment of international labor standards. A proposal regarding international metal



wages and paid holidays for agricultural workers has been submitted to the ILO for action at an early session.

Nine hundred forty-six ratifications of international labor treaties by member states have been recorded since the ILO was established in 1919. The ILO reports that it has adopted eighty-six conventions since 1919, of which fifty-three are now in force among member states. When a country affiliated with the ILO ratifies a convention (International Labor Treaty), it attempts to bring its national legislation into line with the convention's provisions and makes annual reports to the ILO on the steps it has taken to make the convention effective.

#### Agreeing on Technological Changes

Labor agreements frequently contain clauses defining what is meant by technological change and describing the manner in which a technological change should be instituted.

A CIO textile workers' union has an agreement with an eastern mill which states that "a technological change is a change in a plant process, equipment or method of operation diminishing the number of employees having sixty days or more of service required to operate the department or departments affected by the change." Also, any increase in productivity which diminishes the number of employees having sixty days or more of service shall be regarded as a technological change.

Provision is made that the company shall discuss all details with the local union, including a comparison of the new method of operation with the old method, and that the union is to be given a reasonable period of time in which to study the proposed technological change.

If the change is installed in stages, the detailed discussion between the company and the union is to be confined to the immediate change, with further changes outlined only in a general way. The initial technological change may be installed by the company immediately upon agreement with the local union. A detailed description of the proposed change is to be submitted to the director of the Textile Workers' Union of America and the local union is to indicate its acceptance or objection to the change within twenty days after receipt of the description. A trial period of thirty days is prescribed during which the employees are to work under the new method of production. If no dispute arises during this trial period, the change is to be considered part of the work procedure.

All unresolved differences between management and labor resulting from the changes may be referred to arbitration at the conclusion of the trial period. But the job is to be continued until the matter has

been reviewed by the arbitrator. The company's liability "for displacement wages shall then be based on the work assignments established by the arbitrator's decision."

Selection of employees for any departments that may be created is to be on the basis of seniority and qualifications.

The agreement stipulates that a displacement wage is to be paid to employees who lose their jobs because of technological change. This wage shall amount to one week's pay for each full year of the employee's past continuous service with the company. One week's pay is defined as the pay the employee would have earned at full-time employment at the average of the rates in effect for the work assigned to him during the year immediately preceding displacement. Years of service is defined as the total number of years between the last date of employment and the date at which the employee is displaced due to technological change, with no service deductions for any furlough or leave due to sickness or compensable injury of less than one continuous year.

The worker is given the choice of having his name placed on the plant's furlough list within sixty days after displacement or accepting a displacement wage. He must make his choice known in writing.

Departments are to be posted as to impending displacements. To prevent the loss of the more capable employees, the company and the union agree to discuss which employees are to be retained.

#### When the Work Force Has To Be Reduced

A local of the United Cement, Lime & Gypsum Workers' International Union (AFL) has negotiated with management a collective bargaining clause which establishes a permanent employment roster for all employees hired before April 10, 1940, and a junior roster for all employees hired since that date who have ninety days or more continuous service with the company. This agreement, signed in May, 1947, provides that during periods of work scarcity, when the company cannot furnish employment for workers on the junior roster, they may reduce the employee force in keeping with the seniority provisions and the union shall be notified of any layoffs one week in advance, except in emergencies.

Laid-off employees will be reemployed in the order of their seniority if they report within forty-eight hours of notification by the company. If they do not report within that time, the employee will lose his seniority rights and his name will be stricken from the seniority list. Exceptions may be made to this rule by consent of management and the union grievance committee where workers are needed for short periods of employment.

When it is impossible to employ all workers on the



permanent roster, the available time is to be divided equally to the fullest possible extent among employees engaged in similar work.

Provision is made for an employee on the permanent or junior roster who has not worked during the last contract year to have his case reviewed to determine whether the worker should be given a formal leave of absence, a continuance of leave of absence, or should have his name removed from the seniority roster.

When a worker on either roster is discharged for cause, the company agrees to notify the union at once of its action and the reasons therefor.

### Nebraska Establishes a Labor Court

A 1947 Nebraska labor law (Legislative Bill 537) creates a court of industrial relations. The court is intended to lessen industrial disputes arising in governmental services and public utilities. The court plans to follow labor market patterns in Nebraska and adjoining labor areas in order to maintain a "comparable relationship to wage rates paid and conditions of employment maintained by all other employers in the same labor market area." The court is to determine what constitutes the same labor market area.

The term governmental services is defined as "employment in any public utility, or commercial or business enterprise, which is owned, managed or operated by the State of Nebraska, any political governmental subdivision thereof, any public corporation or any public power and irrigation district." This would enable the court to invoke the law in any privately owned utility that was seized by the government in order to prevent discontinuance of a service to the people of Nebraska, or to any section of the population. Court orders are enforceable in any Nebraska court, and penalties are provided for any person who fails to obey the court's order. The law states that no retroactive orders covering wages and working conditions may be issued. However, there is nothing in the law which would prevent the management of any utility from providing for retroactivity during negotiating periods.

Governor Val Peterson points out that, although the state in this instance "restricts the use of the strike weapon, it assumes an obligation which will assure justice to labor" and "the weight of the measure falls evenly upon management and labor." Opposition to intervention by the Federal Government in problems affecting employers and employees in Nebraska is expressed by the Governor. On this point there seems to be a degree of agreement between the Governor, industry and labor spokesmen. The Associated Industries of Nebraska, and the Omaha Chamber of Commerce supported the bill. A prominent spokesman for industry in Nebraska recently stated

"it is too early to determine the degree of its effectiveness."

The State Federation of Labor (AFL) in Nebraska, through its president, John Guenther, states that the law creating a labor court and restricting the right to strike has "many dangers and uncertainties." He feels that the law is inconclusive because the lines are not sharply drawn. In opposing the bill, Mr. Guenther has suggested a labor-management conference in order to establish bipartite patterns and to be able to eliminate friction.

*The Nebraska State Journal* believes that the new legislation is not a cure-all, and the "vast area of the nation's basic industry will remain untouched by what Nebraska does on this one measure. But it feels that it represents a starting point in limiting the right to strike in one field . . . where action by the state alone promises to have some effect."

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## Personnel Briefs

### Safety Crews Learn First-Aid

Fire fighting and safety crews of the Gulf States Paper Corporation, Tuscaloosa, Alabama, are kept in trim by weekly drills. Crew members are taught the principles of fire fighting and the various methods of rendering first-aid so that they may be ready if emergencies occur in the plant.

### Free Chest X-Rays

In March, free chest X-rays were provided for employees of the W. F. Hall Printing Company, Chicago, by the municipal tuberculosis sanatorium mobile unit. X-ray schedules were prearranged and workers were allowed time to have their X-rays taken. Specialists interpreted the films and the confidential reports were sent by letter to the homes of employees.

### Safety on the Road

A ten-minute quiz which appeared in the June, 1947, issue of *Synchroscope*, publication of the Detroit Edison Company, tells employees just how much they know about safe driving. Some of the twenty questions are concerned with correct procedures for night driving, such as following a truck downhill and preparing for a right turn. The questions are arranged so that a person can check his responses and compare them with the correct answers which appear on another page of the publication. E. M. S.



## Paid Sick Leave for Wage Earners<sup>1</sup>

**T**IME lost through illness has always been a drain on the income of the wage earner. Various types of plans have been evolved to provide workers with some income during periods of disability. Among the earliest methods was the employee benefit society, under which workers banded together and through periodic contributions created a fund which was used to give disabled employees small benefits during the period they were incapacitated. Another method which has grown in popularity of late years is the group health and nonoccupational accident plan, which is underwritten by an insurance company under a master contract with the employer.

From information received by THE CONFERENCE BOARD, it would appear that the mutual benefit association has in large measure been supplanted by the group insurance plan. In a 1935 survey of the prevalence of various personnel activities, 28.2% of 2,452 companies covered were found to have mutual benefit associations, while 30.7% reported group health and accident plans. By 1939, the percentage of companies with mutual benefit associations had dropped to 22.3%, while the percentage of companies with group health insurance had risen to 34.2%. By 1946, the trend had become more-pronounced, as 64% of 3,498 companies had group sickness insurance, while the proportion of companies with mutual benefit plans had decreased to 11% of the total. Although the companies included in the three surveys

are not identical, it is believed that they represent a sufficiently widespread coverage to indicate a decided trend.

### PREVALENCE OF PAID SICK LEAVE

A third medium for providing sick pay for the hourly and piece-rate workers is the company-financed and company-administered sick benefit program. This is more commonly known as the paid sick leave. Although some of these plans were in operation before

### MAIN PROVISIONS OF PAID SICK LEAVES FOR WAGE EARNERS IN TWENTY-EIGHT COMPANIES

Company	Size of Establishment	Industrial Classification	Waiting Period	Service Requirements	Amount of Paid Sick Leave	Leave Accumulated from Year to Year
1.....	Under 250	Machinery	2 days	1 yr.	Difference between group sickness benefit and pay for 40 hr. wk. for maximum of 13 wks.	No
2.....	Under 250	Pharmaceuticals	None	None	1/2 pay for indeterminate period	No
3.....	250-999	Electrical equipment	7 days	6 mos. 1 yr. 2-5 yrs. 5-10 yrs. 10-15 yrs. 15 yrs. and over	1 wk. 1/2 pay 2 wks. 1/2 pay 3 wks. 1/2 pay 4 wks. 1/2 pay 5 wks. 1/2 pay 6 wks. 1/2 pay	No
4.....	250-999	Petroleum	7 days	1 yr.	1 wk's. pay, increasing 1 wk's. pay per yr. service to 10 wks.' pay	No
5.....	250-999	Electrical fuses	7 days	1 yr.	Full pay to maximum of 13 wks.	No
6.....	250-999	Jewelry	None	.....	3 days' pay per quarter	No
7.....	250-999	Brewery	2 days; none if 10 yrs. service	1 yr.	6 days per yr. <sup>1</sup>	Yes
8.....	250-999	Pharmaceuticals	None	6 mos. 12 mos. 24 mos.	5 days pay per yr. 10 days pay per yr. At discretion of management	No
9.....	250-999	Machinery	None	None	Group insurance in addition	No
10.....	250-999	Office equipment	7 days 2 days None <sup>2</sup>	1 yr. 5 yrs. 10 yrs.	24 hrs. of paid sick leave at one time; maximum for yr. 48 hrs'. pay. Group insurance in addition	No
11.....	250-999	Printing	3 days	1 yr.	3 wks'. half pay 6 wks'. half pay 6 wks'. half pay	No
12.....	250-999	Paints and varnish	None	10 yrs. 20 yrs.	3/4 pay for 1st 2 wks.; 1/2 pay next 4 wks.	No
13.....	250-999	Pharmaceuticals	None	1 yr.	1/2 pay for indeterminate period	No
14.....	250-999	Food	5 days	1 yr.	Full pay for indeterminate period	Yes
15.....	250-999	Coke	1 wk.	1 yr.	2 wks'. pay plus additional wk. each yr. of service	Yes
16.....	250-999	Food	1 wk.	1 yr.	2 wks. 2/3 pay per yr. service, maximum 26 wks.	No
17.....	1,000-4,999	Chemicals	1 wk. <sup>3</sup>	6 mos.	2-1 1/2 wks'. pay per yr. Group insurance in addition	No
18.....	1,000-4,999	Iron	5 days	.....	8 wks'. pay	No
19.....	1,000-4,999	Film	7 days	6 mos.-1 yr. 1-2 yrs. 2-3 yrs. 3 yrs. and over	3 days' pay each illness, 6 days' pay per yr. Group insurance in addition	No
					\$21 wk. to maximum of 8 wks. 6 wks. 1/2 pay 13 wks. 1/2 pay 20 wks. 65% of pay 26 wks. 75% of pay	No

<sup>1</sup>Company policies on paid sick leave for salaried employees will appear in an early issue of *The Management Record*.



World War I, this method has never been widely adopted. In a comprehensive survey of company disability plans made in 1938, THE CONFERENCE BOARD found that only forty-eight companies were supplied

with genuine paid sick leave plans of this character.

To bring this information up to date, THE CONFERENCE BOARD in the spring of 1947 obtained information from 455 companies on the extent to which

### MAIN PROVISIONS OF PAID SICK LEAVES FOR WAGE EARNERS IN TWENTY-EIGHT COMPANIES—Continued

Company	Size of Establishment	Industrial Classification	Waiting Period	Service Requirements	Amount of Paid Sick Leave	Leave Accumulated from Year to Year
20.....	1,000-4,999	Paints	None	1 yr. 2 yrs. etc. to 5 yrs. increasing by yrs. to maximum of 20 yrs.	Full pay 4 wks., 1/2 pay 4 wks. Full pay 6 wks., 1/2 pay 6 wks. Full pay 11 wks., 1/2 pay 11 wks. Increasing 1 full wks' pay and 1 half wk's. pay per yr. to maximum of 26 wks'. full and 26 wks'. half pay after 20 yrs. <sup>4</sup>	No
21.....	1,000-4,999	Textiles	3 days	3 mos.	Full member: half pay 1st yr. of illness, quarter pay 2nd yr. and 3rd yr. of same illness Limited members: half pay for 6 wks. each yr. for 3 yrs.	No
22.....	1,000-4,999	Chemicals	None	30 days	5 days' pay. Group insurance in addition	For 2 yrs.
23.....	1,000-4,999	Petroleum	2 days	6 mos.-1 yr. 1-2 yrs. increasing by yrs. to 10 yrs.	1 wk's. full pay, 2 wks'. half pay 3 wks'. full pay, 3 wks'. half pay increasing by 1 wk. full and 1 wk. half pay per yr. to maximum of 12 wks'. full pay and 12 wks'. half pay	No
24.....	1,000-4,999	Pharmaceuticals	None	6 mos. 1-1/2 yr. 3 yrs. 5 yrs. 8 yrs. 10 yrs.	1 wk's. pay 2 wks'. pay 3 wks'. pay 4 wks'. pay 6 wks'. pay 8 wks'. pay	No
25.....	1,000-4,999	Pharmaceuticals	None	Less than 1 yr. 1 yr. or more	1 day's pay each mo. of service 3 wks'. pay	No
26.....	5,000 and over	Meat packing	7 days if under 10 yrs. service; none if 10 yrs'. service	1 yr.	2 wks'. half pay for each yr. of service	No
27.....	5,000 and over	Canning	3 days	6 mos. 1 yr.	1 wk. full pay 1 wk. full pay, 4 wks'. half pay increasing 1 wk. full pay and 3 wks'. half pay to maximum of 11 wks'. full and 32 wks'. half pay at end of 10th yr. thereafter increasing 1 full week, and decreasing 1 half wks'. pay per yr. to maximum of 26 wks'. full and 16 wks'. half pay after 26 yrs. 10 half days	No
28.....	5,000 and over	Chemicals	3 days	1-5 yrs. 5 yrs. and over	2 half days per yr. of service Group insurance in addition	No

<sup>1</sup>Maximum under sick leave plus group insurance or workmen's compensation to equal 80% of basic earnings.

<sup>2</sup>Paid full wages during 1st week.

<sup>3</sup>To pay for waiting period before group health and accident benefits begin.

<sup>4</sup>Length of payments may be increased in unusual cases.

group health insurance and paid sick leave plans were in force. It can be observed from the accompanying table that 68.6% had group health insurance only; 3.7% had paid sick leave for wage earners; 2.6% had both group health insurance and a paid sick leave. In the latter group, the company-administered plan was generally used to provide the worker with compensation during the waiting period from the onset of the illness to the date when group sickness benefits began. In addition, five companies, 1.1%, reported that hourly paid workers were paid for illness on an individual basis.

In all, then, only twenty-nine companies, or 6.3% of 455 companies, reported having formal paid sick leave for wage earners. This is in line with the findings of the United States Bureau of Labor Statistics, which found in a survey of manufacturing establishments employing approximately five and one-half million workers, that less than 3% of the establishments had paid sick leave for workers.

The accompanying table shows the main provisions

### DISABILITY BENEFITS THROUGH GROUP INSURANCE AND PAID SICK LEAVE

Policy	Total Companies		Under 250 Employees		250-999 Employees		1,000-4,999 Employees		5,000 and over Employees	
	No.	%	No.	%	No.	%	No.	%	No.	%
Group health and accident benefits only.....	312	68.6	73	68.9	119	69.6	98	67.1	22	68.8
Formal paid sick leave only.....	17	3.7	2	1.9	10	5.8	5	3.4	..	...
Both group insurance and sick leave.....	12	2.6	1	0.9	3	1.8	5	3.4	3	9.3
Informal paid sick leave.....	5	1.1	3	2.8	2	1.2	..	...	..	...
Neither group insurance nor paid sick leave...	109	24.0	27	25.5	37	21.6	38	26.1	7	21.9
	455	100.0	106	100.0	171	100.0	146	100.0	32	100.0



of twenty-eight plans for which fairly complete details were given. It indicates the wide divergence in these benefits, as nearly all the plans are different. The paid sick leave ranged from a minimum of one day's pay to full pay for an indefinite period. The plans were almost evenly divided between those (thirteen companies) which gave the same number of days' or weeks' pay to all who qualified for benefits, and those (fifteen companies) which graduated the length of the paid sick leave on the basis of the employee's service record.

A point of difference between the paid sick leave and the group health and accident insurance plan is that under the majority of the former type, the employee receives his full wages during his illness, while under the group insurance plan the maximum benefit is not more than a half or two thirds of compensation. Also, under group insurance, an employee is not paid benefits from the first day of illness, but must wait from three days or a week, which is the most common waiting period, before disability benefits begin. In contrast, benefits are paid from the first day of illness under eleven of the twenty-eight company-administered plans, while only six require a waiting period of one week. Under three plans, the longer-service employees are exempt from the waiting period provision. Approximately 70% of the company benefit plans require that an individual be employed either six months (seven companies) or one year (thirteen companies) before he is eligible for benefits.

The policy of allowing employees to accumulate unused sick leave from year to year is not widely prevalent, as only four out of the twenty-eight plans permit this practice.

During the war years when companies were interested in keeping employees at work, the idea of paying employees in cash for unused portions of paid sick leave was advanced as one way of encouraging better attendance. Not one of the companies answering the inquiry followed this procedure.

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### Home Office Session for Managers

Branch office managers and home office department heads of the General Tire and Rubber Company recently concluded a one-week annual session devoted to developing closer cooperation and understanding between the Akron office and the branches. The week's program included a two-day session on store bookkeeping systems, an all-day session on a credit analysis of motor carriers, a series of discussions on problems of shipping, warehousing, operating expense and customer service, and concluded with a factory tour on the last day.

## More Annual Wage Plans

**T**WO interesting guaranteed wage plans have come to the attention of THE CONFERENCE BOARD recently. The following one was developed by a truck body building company in the midwest. Employees who are considered for regular full-time employment are hired on a trial basis for thirty days. Then at the end of that period they are voted upon by all employees. If the workers approve the applicant, he is given an additional trial period of eleven months. At the end of the year, another vote is taken, and, if 85% of all employees approve, the trial worker becomes a regular employee. Workers may be hired for casual or temporary employment, but in such cases are not voted upon by the regular staff unless they may subsequently be considered for regular employment.

Any worker accepted as a regular employee is given a guaranteed wage of \$25 a week for one year. If an employee is laid off temporarily, he is required to apply for unemployment compensation. The company will pay the difference between the state benefits and \$25 a week. If an employee is unable to work and does not receive compensation, the company pays the full amount of \$25 a week for a year. Benefits start with the seventh working day off. If disabled, the employee must submit a report from a physician whom the company approves.

Benefits are not paid for absences due to war, flood, fire, strike or other emergency over which the company has no control, but "the company's inability to provide work shall not be a reason for not paying the \$25 per week benefit." The total personnel is approximately 200.

### SHIPYARD GUARANTEES WAGES

The Columbia-Marine Shipyards, The Dalles, Oregon, operates a small steel fabricating plant, and has a personnel of thirty or forty men. The company has been able to control the amount of business to the end that the flow of work is largely stabilized. In its agreement with the United Steel Workers (CIO), the company guarantees not less than forty-eight weeks' employment, including the vacation period, for all employees with three or more years of continuous service for each year during which the agreement is in force.

The company states that the plan has worked to the mutual benefit of both the employee and the employers and that it has been a substantial factor in stabilizing employment and in developing responsible labor. F. B. B.



## Labor Press Highlights<sup>1</sup>

### *Communists Are "Well Heeled"*

Communists recently offered \$100,000 in an effort to retain a big-name attorney to represent them in their unsuccessful attempt to delay the trials of three of their leaders. In a column appearing on the editorial page of *Labor* (railroad brotherhoods), Charles M. Kelley says this fact came to light through a routine report filed by the Civil Rights Congress under requirements of the Lobbyists' Registration Act.

### *Rieve Opposes Third Party*

Opposition to the formation of a third party at the present time was voiced at the recent convention of the New York State CIO Council by Emil Rieve, TWUA general president, according to *Textile Labor*. Mr. Rieve suggested a concentrated drive during the 1948 elections to defeat the senators and representatives who voted for passage of the Taft-Hartley Act rather than attempt third-party support, which would endanger unity in the labor movement.

### *Building Trades' Wages Lag*

Although wage rates for building tradesmen have increased, they still lag substantially behind cost of living and building material prices, according to the *AFL Weekly News Service*. All these data were released recently by the Bureau of Labor Statistics, but the AFL claims they were distorted by newspaper reports. This was done, it says, by stressing the fact that wage increases in the building trades were the largest since 1920.

### *Steelworkers Plan Political Action*

The possibilities of political activity under the Taft-Hartley law have been explained by Lee Pressman, general counsel for the Steelworkers, in *Steel Labor* (CIO). He says that properly handled contributions and expenditures can legally be used for registration campaigns and general educational campaigns bringing legislative issues to the attention of union members. Since only contributions and expenditures for federal elections, primaries, political conventions and caucuses have specifically been banned, there is no limitation on their use for state or local purposes.

### *Aircraft Employment Off 94%*

Aircraft employment has already dropped 94% from its wartime peak—from 1,326,000 persons to 82,416, according to *The Machinist* (independent). Harvey W. Brown, president of the International Association of Machinists, warned Congress three years ago, says the publication, that the government should not allow the aircraft industry to go to "seed." Government policy is still undecided as to how con-

<sup>1</sup>From the September labor press.

tracts for aircraft production should be distributed. Awards of these contracts will determine the fate of thousands of skilled aviation machinists.

### *Local By-passes Taft-Hartley Act*

A local of the Retail, Wholesale and Department Store Union has agreed not to strike in exchange for a promise by the Greater New York Retail Furnishings and Dry Goods Association not to hold the union liable for unauthorized strikes, stoppages or slowdowns during the life of the present agreement. Among other provisions, in a contract expiring in August, 1950, all disputes and grievances are to be exclusively referred to arbitration. *The Retail, Wholesale and Department Store Employee*.

### *AFL Plans "Work Holiday"*

A nationwide "work holiday" is planned by the AFL for election day this year. William Green revealed at the 55th annual convention of the American Federation of Labor that about 90% of the AFL'S 7,500,000 members would participate in this get-out-and-vote drive to defeat all supporters of the Taft-Hartley law. Adjustments will be made to keep essential services running. *The News* (UMWA)

### *Labor Problems Dramatized*

Management-labor problems are being dramatized by UAW-AFL in "Job Relations Institute of the Air," a series broadcast over a midwestern radio station, according to the *Auto Worker*. Documented case histories of grievances are being used for the program. A panel of experts representing labor, industry and the public hears the cases and then gives a decision.

### *Consumer Cooperatives Prevalent in Sweden*

Cooperatives in Sweden are one of the chief stabilizing forces in the Swedish economy, according to an article prepared for the Workers Education Bureau of America. *The AFL Weekly News Service* reports that the consumer co-op movement has effectively disciplined competitive free enterprise in all fields and enlarged the margin of profit in some cases. In June, 1946, co-ops in Stockholm did more than 50% of the city's retail trade. The article says that employees of cooperatives are organized in trade unions and relations between them and the co-ops are excellent.

### *ILGWU Builds New Health Center*

The newest in a network of ILGWU health centers for Pennsylvania will be located in Wilkes-Barre. The ILGWU welfare and health benefit department plans to convert a building there for a combined union headquarters and health clinic. *Justice* states that interest in health clinics and mobile health units is spreading to other parts of the country.

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## Prevalence of Profit-sharing and Pension Plans

**T**HE United States Bureau of Internal Revenue has issued a study on the number of profit-sharing and pension plans approved by it up to June 30, 1947. While the bureau had not tabulated the exact number of approvals, it was estimated that more than 10,000 plans had been approved.

Up to August 31, 1946, the bureau had issued favorable rulings on 6,862 retirement benefit plans and 2,508 profit-sharing plans. The total employment in the companies included was 10,975,746 persons, of which approximately one third (3,657,271), were participants. The larger coverage was under pension plans, with 3,290,608 employees participating, while 366,663 employees were included under profit-sharing plans.

Annual contributions of employers for pension plans amounted to \$653,220,000; for profit-sharing plans the amount totaled \$104,439,000, for those processed through August 31, 1946. The employer contributions under the two combined represent approximately 7.5% of the payroll of participating employees.

Of 6,862 pension plans approved through August 31, 1946, there are 4,144 of the individual contract type covering 203,395 employees; 1,476 plans with a participation of 889,184 employees of the group contract type, and 658 of the self-insured type, which include the largest number of participants, (1,908,111 employees). The remainder of the pension plans use a combination of methods of financing, or the method was not stated.

These pension and profit-sharing plans include only those submitted under section 165(a) of the Internal Revenue Code. F. B. B.

### G. E. Profit-sharing Plan Discontinued

President Charles E. Wilson of the General Electric Company has announced that its profit-sharing plan for wage earners will be discontinued. The plan, which was adopted in 1934, originally provided for the sharing of profits by employees who had completed five or more years of service. At the insistence of the United Electrical Workers, CIO, the plan was amended to permit employees with one or more years of service to participate. With a greatly increased basis of employee coverage, the amount of profits available to the individual was correspondingly decreased. The president stated that the dilution of the

plan had so weakened it that it no longer served its purpose.

In April, 1947, when wage negotiations were in progress, the union had been warned by the company that if further wage increases were granted, the profit-sharing plan would be abolished. The union was successful in obtaining a general wage increase for its members averaging about 15 cents an hour.

A union official protested the discontinuance of the profit-sharing plan and stated that its abolition would be taken into account when new wage demands were made on the company in the spring. The company stated that the benefits under its recently adopted pension plan would compensate its employees far more from the standpoint of regularity and total returns than would the benefits received under the discontinued profit-sharing plan.

The company is continuing its profit-sharing plan for managerial employees which, the president stated, did serve as an incentive to executives to enhance the prosperity of the company. F. B. B.

### Final Vote on Ford Pension Plan

The final count on the union-negotiated pension plan of the Ford Motor Company was 51,832 against and 16,720 for the plan. The workers were given two alternatives, both of which would increase the payroll by approximately 15 cents an hour an employee. The one choice, which was rejected, provided for a contributory pension plan and an increase of 7 cents an hour. The other choice, which was accepted, called for an increase of 11.5 cents an hour and six paid holidays. The 11.5-cent increase was made retroactive to May 31, 1947. The holidays to be paid for are New Year's Day, Memorial Day, Fourth of July, Labor Day, Thanksgiving Day, Christmas. F. B. B.

### A Shop Training Program

More than 150 employees are currently enrolled in Caterpillar Tractor Company's two-year shop-training program, which consists of three different courses: machine shops, arc welding and sheet metal.

More than 80% of the trainees are enrolled in the machine shop course, which includes 200 hours of classroom work broken down as follows: blueprint reading and shop practice—40 hours; arithmetic, algebra and geometry—32; materials and processes—32; freehand drawing—16; economics—16; applied trigonometry—32; physics and heat treat—32. Weeks devoted to shop work consist of: training shop—4; elementary drills—4; advanced drills—8; hand mills—8; advanced mills—12; cutter grinders—8; cylindrical grinders—8; elementary lathes—12; turret lathes—16; automatic lathes—12. L. L.



# SIGNIFICANT LABOR STATISTICS

Source: THE CONFERENCE BOARD, unless otherwise indicated

Item	Unit	1947						Year Previous	Percentage Change	
		Aug.	July	June	May	April	Mar.		Latest Month over Previous Month <sup>1</sup>	Latest Month over Year Previous <sup>2</sup>
<b>Clerical salary rates</b>										
Billing machine operator.....	mode in dollars	....	....	....	....	30	....	....	....	....
Calculating machine or Comptometer oper.	mode in dollars	....	....	....	....	35	....	....	....	....
Office boy or girl.....	mode in dollars	....	....	....	....	28	....	....	....	....
Stenographer.....	mode in dollars	....	....	....	....	35	....	....	....	....
Telephone switchboard operator.....	mode in dollars	....	....	....	....	42	....	....	....	....
Senior copy typist.....	mode in dollars	....	....	....	....	36	....	....	....	....
<b>Consumers' Price Index</b>										
Food.....	1923=100	159.4	155.8	153.3	....	....	152.3	131.4	+2.3	+21.3
Housing.....	1923=100	91.0	91.0	91.0	....	....	91.0	91.0	0	0
Clothing.....	1923=100	107.6	107.2	107.2	....	....	108.2	99.7	+0.4	+7.9
Men's.....	1923=100	124.5	124.2	124.4	....	....	124.4	111.4	+0.2	+11.8
Women's.....	1923=100	90.7	90.1	90.0	....	....	92.0	88.0	+0.7	+3.1
Fuel and light.....	1923=100	106.0	102.4	101.1	....	....	101.4	99.9	+3.5	+6.1
Electricity.....	1923=100	66.6	65.4	66.6	....	....	66.8	66.9	+1.8	-0.4
Gas.....	1923=100	95.0	95.0	95.2	....	....	94.4	94.5	0	+0.5
Sundries.....	1923=100	129.3	129.1	128.0	....	....	126.9	120.2	+0.2	+7.6
All items.....	1923=100	128.1	126.6	125.4	....	....	124.8	114.7	+1.2	+11.7
Purchasing value of dollar.....	1923 dollars	.781	.790	.797	....	....	.801	.872	-1.1	-10.4
All items (BLS).....	1935-39=100	....	158.4	157.1	156.0	156.1	156.3	141.2	+0.8	+12.2
<b>Strikes (BLS)</b>										
Beginning in period.....	number	p 325	p 300	350	425	460	325	560	+8.3	-42.0
Workers involved.....	thousands	p 120.0	p 500.6	475.0	200.0	600.0	100.0	227.0	-76.3	-47.1
Total man days idle.....	thousands	p 2,500	p 4,200	3,750	5,700	7,750	850	3,900	-40.5	-35.9
<b>Turnover rates in manufacturing (BLS)</b>										
Separations.....	per 100 employees	....	p 4.5	r 4.7	5.4	5.2	4.9	5.8	-4.3	-22.4
Quits.....	per 100 employees	....	p 3.0	r 3.1	3.5	3.7	3.5	4.6	-3.2	-34.8
Miscellaneous.....	per 100 employees	....	p .1	.1	.1	.1	.1	.2	0	-50.0
Discharges.....	per 100 employees	....	p .4	.4	.4	.4	.4	.4	0	0
Layoffs.....	per 100 employees	....	p 1.0	1.1	1.4	1.0	.9	.6	-9.1	+66.7
Accessions.....	per 100 employees	....	p 4.8	r 5.5	4.8	5.1	5.1	7.4	-12.7	-35.1
<b>Wage Earners</b>										
<b>All manufacturing industries (BLS)</b>										
Earnings, hourly.....	average in dollars	....	1.232	r 1.226	r 1.207	1.186	1.180	1.093	+0.5	+12.7
weekly.....	average in dollars	....	49.03	r 49.33	r 48.44	47.50	r 47.69	43.38	-0.6	+13.0
Hours per production worker.....	average per week	....	39.8	r 40.2	40.1	40.1	40.4	39.7	-1.0	+0.3
<b>Twenty-five manufacturing industries</b>										
Earnings, hourly.....	average in dollars	1.365	r 1.354	1.347	1.329	1.304	1.285	1.217	+0.8	+12.2
weekly.....	average in dollars	54.17	r 53.61	54.25	53.65	52.79	52.10	48.74	+1.0	+11.1
Hours per production worker.....	average per week	39.7	39.7	40.3	40.4	40.5	40.6	40.1	0	-1.0
Employment.....	1923=100	126.2	r 125.5	127.4	127.9	128.6	128.8	121.1	+0.6	+4.2
Total man hours.....	1923=100	101.8	r 101.3	104.3	105.0	105.8	106.3	98.7	+0.5	+3.1
Payrolls.....	1923=100	256.9	r 252.9	259.8	257.8	255.1	252.2	221.9	+1.6	+15.8
Wage-rate increases.....	average per cent	6.9	r 7.4	8.7	9.1	7.2	7.0	9.6	....	....
Production workers affected.....	per cent	3.9	r 4.8	8.6	18.5	6.8	1.5	5.5	....	....
<b>Manufacture and distribution of gas</b>										
Earnings, hourly.....	average in dollars	....	....	1.261	....	....	r 1.206a	1.126	+4.6	+12.0
weekly.....	average in dollars	....	....	53.12	....	....	r 53.41a	47.13	-0.5	+12.7
Hours per wage earner.....	average per week	....	....	41.5	....	....	43.8a	41.3	-5.3	+0.5
<b>Generation and distribution of electricity</b>										
Earnings, hourly.....	average in dollars	....	....	1.395	....	....	r 1.316a	1.277	+6.0	+9.2
weekly.....	average in dollars	....	....	60.94	....	....	r 56.48a	54.84	+7.9	+11.1
Hours per wage earner.....	average per week	....	....	42.7	....	....	r 42.2a	42.4	+1.2	+0.7
<b>Class I railroads<sup>3</sup></b>										
Earnings, hourly.....	average in dollars	....	....	1.174	1.177	1.175	1.189	1.174	-0.3	0
weekly.....	average in dollars	....	....	58.36	57.52	58.23	59.07	58.30	+1.5	+0.1
"Real" weekly earnings.....	1923=100	....	....	156.9	155.6	157.3	159.5	181.7	+0.8	-13.6
Hours per wage earner.....	average per week	....	....	49.7	48.9	49.6	49.7	49.7	+1.6	0
<b>Agricultural wage rates per month<sup>4</sup> (BAE)</b>										
With board.....	average in dollars	....	103.00	....	....	96.20	....	96.40	+7.1	+6.8
Without board.....	average in dollars	....	98.70	....	....	91.50	....	92.00	+7.9	+7.3
New York City metro. area, seventeen manufacturing industries	average in dollars	....	114.00	....	....	107.00	....	106.00	+6.5	+7.5
Earnings, hourly.....	average in dollars	1.389	1.378	1.384	1.367	1.343	1.332	1.247	+0.8	+11.4
weekly.....	average in dollars	54.87	56.08	57.30	56.05	55.20	55.14	51.13	-2.2	+7.3
Hours per production worker.....	average per week	39.5	40.7	41.4	41.0	41.1	41.4	41.0	-2.9	-3.7

<sup>1</sup>Changes in Agricultural Wage Rates are quarterly.

<sup>2</sup>Changes in the Conference Board's Consumers' Price Index are between August, 1947 and September, 1946, since these indexes were compiled on only a quarterly basis in 1946.

<sup>3</sup>Derived from Interstate Commerce Commission reports.

<sup>4</sup>As of first day of month.

aJanuary, 1947

pPreliminary

rRevised



## Consumers' Prices in August at Record High

**M**ODERATE-INCOME families in the United States were paying more for living essentials in mid-August than at any other time since THE CONFERENCE BOARD started to measure living cost changes in July, 1914. The Board's monthly survey of retail prices of consumers' goods and services in sixty-six industrial cities shows an August rise of 1.2% in the weighted average of all items to 128.1 (1923=100). This is an increase over September, 1946, of 11.7%.

The purchasing value of the 1923 dollar, or the reciprocal of the consumers' price index, dropped to 78.1 cents in August, a decline of 0.9 cent over the previous month and of 9.1 cents from its level eleven months earlier.

Persistent advances in the price of foods continued to occur, bringing a rise of 2.3% in the index for that component. Nearly every cooperator quoted higher prices for each kind and grade of meat included in the survey. Prices of grains and dairy products were also higher. Flour, lard, and canned goods prices fell off slightly over the month.

The Board's survey of rents is conducted only in June and December. Since it is assumed that no change has occurred since June 15 of this year, the index for housing remained at its former level.

An advance of 0.4% in the clothing index mainly reflects rising prices of women's rayon dresses and fall coats. Women's wear has risen 3.1% since September, 1946, as compared with an upturn of 11.8% for men's wear over the same period.

Prices of electrical appliances and gas ranges rose slightly. Higher gasoline prices in about half the cities surveyed and increased transportation costs in six

cities accounted in the main for the rise of 0.2% in the sundries component.

An increase of 3.5% in the fuel and light index resulted from the combined fluctuations of anthracite, bituminous coal, and fuel oil prices, and of gas and electricity rates.

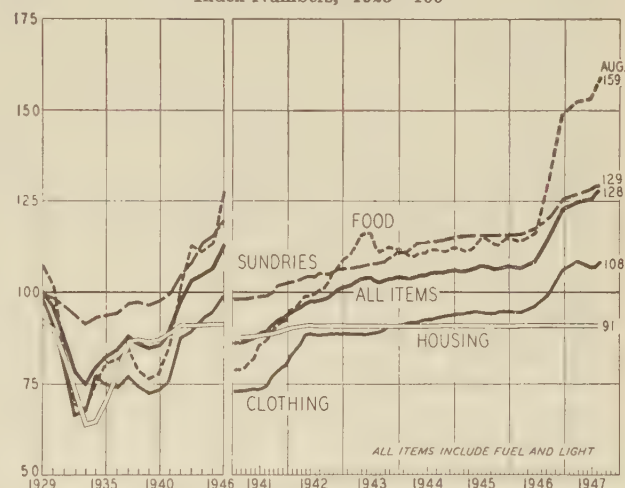
Each of the sixty-six cities surveyed in August by THE CONFERENCE BOARD reported over-all price rises since July. Topping the list are Cleveland (2.5%), Bridgeport (2.3%), and Lansing (2.0%).

The median year-to-year (September, 1946, to August, 1947) rise was 12.2%, with prices increasing as much as 17.4% in Parkersburg, West Virginia. Only eight cities reported increases lower than 10.0%. In more than half the cities surveyed, price increases of 12.0% or more took place since September a year ago.

FLORENCE S. GEIGER  
Statistical Division

### Consumers' Price Index

Source: THE CONFERENCE BOARD  
Index Numbers, 1923=100



### CONSUMERS' PRICE INDEX FOR THE UNITED STATES, AND PURCHASING VALUE OF THE DOLLAR

Date	Weighted Average of All Items	Food	Housing <sup>1</sup>	Clothing			Fuel and Light			Sundries	Purchasing Value of Dollar
				Total	Men's	Women's	Total <sup>2</sup>	Electricity	Gas		
Index Numbers, 1923=100											
1946 September.....	114.7	131.4 <sub>a</sub>	91.0	99.7	111.4	88.0	99.9	66.9	94.5	120.2	87.2
December.....	123.2	149.3	91.0	105.8	121.0	90.5	100.3	66.9	94.5	125.9	81.2
Annual average <sup>3</sup>	113.2	127.7	91.0	99.2	110.9	87.5	98.7	66.9	94.5	119.9	88.6
1947 March.....	124.8	152.3	91.0	108.2	124.4	92.0	101.4	66.8	94.4	126.9	80.1
June.....	125.4	153.3	91.0	107.2	124.4	90.0	101.1	66.6	95.2	128.0	79.7
July.....	126.6 <sub>r</sub>	155.8	91.0	107.2	124.2	90.1	102.4	65.4	95.0 <sub>r</sub>	129.1 <sub>r</sub>	79.0 <sub>r</sub>
August.....	128.1	159.4 <sub>b</sub>	91.0	107.6	124.5	90.7	106.0	66.6	95.0	129.3	78.1

#### Percentage Changes

July 1947 to Aug. 1947.	+1.2	+2.3	0	+0.4	+0.2	+0.7	+3.5	+1.8	0	+0.2	-1.1
Sept. 1946 to Aug. 1947.	+11.7	+21.3	0	+7.9	+11.8	+3.1	+6.1	-0.4	+0.5	+7.6	-10.4

<sup>1</sup>Data on housing collected twice annually, June 15 and December 15. It is assumed no change has occurred since June 15.

<sup>2</sup>Includes fuel as well as electricity and gas.

<sup>3</sup>Average of four quarterly indexes.

<sup>r</sup>Revised

<sup>b</sup>Based on food prices for August 13, 1947.



# CONSUMERS' PRICE INDEXES FOR SIXTY CITIES

Source: THE CONFERENCE BOARD

NOTE: These indexes do NOT show intercity differences in price level or standards of living. They show only changes in consumers' prices in each city, which changes may be compared with those for other cities.

CITY	Index Numbers Jan., 1939=100			Percentage Changes		CITY	Index Numbers Jan., 1939=100			Percentage Changes	
	Aug. 1947	July 1947	Sept. 1946	July 1947 to Aug. 1947	Sept. 1946 to Aug. 1947		Aug. 1947	July 1947	Sept. 1946	July 1947 to Aug. 1947	Sept. 1946 to Aug. 1947
<b>Akron</b>						<b>Chicago</b>					
Food.....	210.7	206.1	172.3	+2.2	+22.3	Food.....	213.5	209.7	170.4	+1.8	+25.3
Housing <sup>1</sup> .....	113.9	113.9	113.8	0	+0.1	Housing <sup>1</sup> .....	105.8	105.8	105.8	0	0
Clothing.....	146.6	145.6	134.6	+0.7	+8.9	Clothing.....	149.3	147.9	138.4	+0.9	+7.9
Fuel and light.....	137.9	131.2	120.4	+5.1	+14.5	Fuel and light.....	103.8	103.3	96.5	+0.5	+7.6
Housefurnishings.....	130.6	129.6	123.6	+0.8	+5.7	Housefurnishings.....	142.7	142.3	132.3	+0.3	+7.9
Sundries.....	139.0	139.1	129.5	-0.1	+7.3	Sundries.....	135.3	135.5	126.5	-0.1	+7.0
Weighted Total.....	156.3	154.2	139.0	+1.4	+12.4	Weighted Total.....	154.2	152.8	135.9	+0.9	+13.5
<b>Atlanta</b>						<b>Cincinnati</b>					
Food.....	217.0	211.7	172.7	+2.5	+25.7	Food.....	206.0	199.5	170.3	+3.3	+21.0
Housing <sup>1</sup> .....	99.2	99.2	99.2	0	0	Housing <sup>1</sup> .....	100.9	100.9	100.9	0	0
Clothing.....	149.7	147.7	138.6	+1.4	+8.0	Clothing.....	153.4	157.0	147.6	+0.9	+7.3
Fuel and light.....	123.9	114.3	109.6	+7.9	+13.0	Fuel and light.....	121.8	116.3	110.4	+4.7	+10.3
Housefurnishings.....	148.5	149.6	129.8	-0.7	+14.4	Housefurnishings.....	139.7	138.6	129.0	+0.8	+8.3
Sundries.....	132.5	132.4	125.1	+0.1	+5.9	Sundries.....	141.2	141.2	125.8	0	+12.2
Weighted Total.....	154.0	151.7	135.7	+1.5	+13.5	Weighted Total.....	156.2	153.5	137.8	+1.8	+13.4
<b>Baltimore</b>						<b>Cleveland</b>					
Food.....	205.8	201.9	171.5	+1.9	+20.0	Food.....	204.2	196.5	163.1	+3.9	+25.2
Housing <sup>1</sup> .....	103.2	103.2	103.2	0	0	Housing <sup>1</sup> .....	109.7	109.7	109.7	0	0
Clothing.....	149.5	148.9	138.5	+0.4	+7.9	Clothing.....	157.7	157.0	141.2	+0.4	+11.7
Fuel and light.....	129.3	124.1	117.1	+4.2	+10.4	Fuel and light.....	121.6	99.2	103.6	+22.6	+10.9
Housefurnishings.....	159.0	159.0	148.4	0	+7.1	Housefurnishings.....	150.1	151.4	139.1	-0.9	+12.8
Sundries.....	136.9	137.1	126.2	-0.1	+8.5	Sundries.....	142.1	142.6	134.4	-0.4	+5.7
Weighted Total.....	156.5	154.8	139.5	+1.1	+12.2	Weighted Total.....	155.7	151.9	137.5	+2.5	+13.2
<b>Birmingham</b>						<b>Dallas</b>					
Food.....	214.6	209.6	182.7	+2.4	+17.5	Food.....	201.8	198.2	162.4	+1.8	+24.3
Housing <sup>1</sup> .....	105.7	105.7	105.7	0	0	Housing <sup>1</sup> .....	105.6	105.6	105.6	0	0
Clothing.....	151.8	150.9	140.2	+0.6	+8.3	Clothing.....	151.8	151.1	137.1	+0.5	+10.7
Fuel and light.....	121.3	121.3	110.9	0	+9.4	Fuel and light.....	89.1	89.1	89.1	0	0
Housefurnishings.....	151.5	149.1	127.0	+1.6	+19.3	Housefurnishings.....	146.9	146.9	135.2	0	+8.7
Sundries.....	127.2	127.2	121.0	0	+5.1	Sundries.....	137.3	137.4	131.1	-0.1	+4.7
Weighted Total.....	152.7	151.0	138.3	+1.1	+10.4	Weighted Total.....	148.2	147.1	133.3	+0.7	+11.2
<b>Boston</b>						<b>Dayton</b>					
Food.....	192.8	189.8	164.2	+1.6	+17.4	Food.....	202.0	197.2	165.1	+2.4	+22.4
Housing <sup>1</sup> .....	104.5	104.5	103.5	0	+1.0	Housing <sup>1</sup> .....	106.4	106.4	105.9	0	+0.5
Clothing.....	142.2	141.4	135.7	+0.6	+4.8	Clothing.....	146.8	147.7	133.2	-0.6	+10.2
Fuel and light.....	136.5	132.3	127.6	+3.2	+7.0	Fuel and light.....	126.7	121.1	110.4	+4.6	+14.8
Housefurnishings.....	153.5	152.9	135.7	+0.4	+15.1	Housefurnishings.....	162.9	162.0	142.2	+0.6	+14.6
Sundries.....	141.5	141.4	129.9	+0.1	+8.9	Sundries.....	135.7	135.6	129.2	+0.1	+5.0
Weighted Total.....	152.4	150.9	137.5	+1.0	+10.8	Weighted Total.....	152.9	151.1	135.9	+1.2	+12.5
<b>Bridgeport</b>						<b>Denver</b>					
Food.....	197.1	187.3	161.2	+5.2	+22.3	Food.....	203.5	199.9	168.3	+1.8	+20.9
Housing <sup>1</sup> .....	106.5	106.5	106.5	0	0	Housing <sup>1</sup> .....	105.5	105.5	105.6	0	-0.1
Clothing.....	145.2	144.0	134.4	+0.8	+8.0	Clothing.....	148.5	148.3	139.5	+0.1	+6.5
Fuel and light.....	132.8	130.8	130.4	+1.5	+1.8	Fuel and light.....	101.8	99.8	98.0	+1.5	+3.4
Housefurnishings.....	144.0	143.6	129.7	+0.3	+11.0	Housefurnishings.....	142.9	145.0	132.9	-1.4	+7.5
Sundries.....	150.8	150.9	141.8	-0.1	+6.3	Sundries.....	135.3	135.3	126.9	0	+6.6
Weighted Total.....	155.1	151.6	139.3	+2.3	+11.3	Weighted Total.....	150.6	149.5	135.6	+0.7	+11.1
<b>Buffalo</b>						<b>Des Moines</b>					
Food.....	213.4	208.1	168.4	+2.5	+26.7	Food.....	199.4	196.7	160.3	+1.4	+24.4
Housing <sup>1</sup> .....	112.3	112.3	112.3	0	0	Housing <sup>1</sup> .....	105.3	105.3	105.3	0	0
Clothing.....	146.1	146.1	136.2	0	+7.3	Clothing.....	159.3	158.4	149.9	+0.6	+6.3
Fuel and light.....	126.7	122.1	118.8	+3.8	+6.6	Fuel and light.....	137.3	128.4	123.0	+6.9	+11.6
Housefurnishings.....	156.0	155.9	138.8	+0.1	+12.4	Housefurnishings.....	155.8	155.8	135.0	0	+15.4
Sundries.....	137.6	137.4	129.8	+0.1	+6.0	Sundries.....	137.3	137.3	125.5	0	+9.4
Weighted Total.....	157.6	155.5	138.9	+1.4	+13.5	Weighted Total.....	151.8	150.4	134.4	+0.9	+12.9
<b>Chattanooga</b>						<b>Detroit</b>					
Food.....	216.4	215.3	187.2	+0.5	+15.6	Food.....	209.6	201.9	169.2	+3.8	+23.9
Housing <sup>1</sup> .....	103.7	103.7	103.7	0	0	Housing <sup>1</sup> .....	107.4	107.4	107.0	0	+0.4
Clothing.....	146.9	144.8	138.3	+1.5	+6.2	Clothing.....	151.0	151.2	143.0	-0.1	+5.6
Fuel and light.....	123.9	113.5	107.0	+9.2	+15.8	Fuel and light.....	131.8	123.9	118.3	+6.4	+11.4
Housefurnishings.....	141.7	136.5	132.9	+3.8	+6.6	Housefurnishings.....	152.0	152.1	136.1	-0.1	+11.7
Sundries.....	129.6	129.7	116.8	-0.1	+11.0	Sundries.....	151.3	150.6	137.9	+0.5	+9.7
Weighted Total.....	153.5	152.2	138.1	+0.9	+11.2	Weighted Total.....	158.7	155.7	140.2	+1.9	+13.2

<sup>1</sup>Rents surveyed twice annually, June 15 and December 15. It is assumed no change has occurred since June 15.

rRevised.



# CONSUMERS' PRICE INDEXES FOR SIXTY CITIES—Continued

Source: THE CONFERENCE BOARD

NOTE: These indexes do NOT show intercity differences in price level or standards of living. They show only changes in consumers' prices in each city, which changes may be compared with those for other cities.

City	Index Numbers Jan., 1939 = 100			Percentage Changes		City	Index Numbers Jan., 1939 = 100			Percentage Changes	
	Aug. 1947	July 1947	Sept. 1946	July 1947 to Aug. 1947	Sept. 1946 to Aug. 1947		Aug. 1947	July 1947	Sept. 1946	July 1947 to Aug. 1947	Sept. 1946 to Aug. 1947
<b>Duluth</b>						<b>Indianapolis</b>					
Food.....	199.3	196.0	165.9	+1.7	+20.1	Food.....	212.1	208.8	182.1	+1.6	+16.5
Housing <sup>1</sup> .....	100.2	100.2	100.2	0	0	Housing <sup>1</sup> .....	107.9	107.9	107.9	0	0
Clothing.....	162.1	158.7	147.8	+2.1	+9.7	Clothing.....	145.7	143.8	134.1	+1.3	+8.7
Fuel and light.....	134.6	123.3	115.1 <sup>r</sup>	+9.2	+16.9	Fuel and light.....	132.9	125.4	117.3	+6.0	+13.3
Housefurnishings.....	161.4	161.4	148.8	0	+8.5	Housefurnishings.....	148.0	147.5	137.0	+0.3	+8.0
Sundries.....	136.7	136.7	131.2	0	+4.2	Sundries.....	142.9	142.8	137.2 <sup>r</sup>	+0.1	+4.2
Weighted Total.....	155.3	152.6	138.8 <sup>r</sup>	+1.8	+11.9	Weighted Total.....	157.1	155.3	143.6	+1.2	+9.4
<b>Erie, Pa.</b>						<b>Kansas City, Mo.</b>					
Food.....	221.5	222.5 <sup>r</sup>	173.1	-0.4	+28.0	Food.....	194.5	189.5	158.4	+2.6	+22.8
Housing <sup>1</sup> .....	110.2	110.2	110.2	0	0	Housing <sup>1</sup> .....	105.5	105.5	105.5	0	0
Clothing.....	169.6	169.0	154.4	+0.4	+9.8	Clothing.....	154.8	152.6	140.9	+1.4	+9.9
Fuel and light.....	135.5	133.4	127.1 <sup>r</sup>	+1.6	+6.6	Fuel and light.....	109.6	104.3	118.1	+5.1	-7.2
Housefurnishings.....	149.2	148.2	139.4	+0.7	+7.0	Housefurnishings.....	136.9	135.6	125.9	+1.0	+8.7
Sundries.....	149.5	148.9	137.6	+0.4	+8.6	Sundries.....	140.5	140.5	133.8	0	+5.0
Weighted Total.....	165.8	165.6 <sup>r</sup>	144.5 <sup>r</sup>	+0.1	+14.7	Weighted Total.....	149.5	147.4	135.5	+1.4	+10.3
<b>Fall River</b>						<b>Lansing</b>					
Food.....	190.4	186.6	165.0	+2.0	+15.4	Food.....	232.7	225.6	196.0	+3.1	+18.7
Housing <sup>1</sup> .....	104.3	104.3	104.3	0	0	Housing <sup>1</sup> .....	98.0	98.0	98.0	0	0
Clothing.....	157.4	156.7	147.3	+0.4	+6.9	Clothing.....	146.7	146.0	135.9	+0.5	+7.9
Fuel and light.....	129.1	125.6	121.9	+2.8	+5.9	Fuel and light.....	127.1	115.2	110.2	+10.3	+15.3
Housefurnishings.....	132.7	133.7	127.8	-0.7	+3.8	Housefurnishings.....	157.6	157.1	143.4	+0.3	+9.9
Sundries.....	138.7	138.2 <sup>r</sup>	128.1	+0.4	+8.3	Sundries.....	147.5	146.7	133.7	+0.5	+10.3
Weighted Total.....	151.1	149.3 <sup>r</sup>	137.8	+1.2	+9.7	Weighted Total.....	159.9	156.7	142.7	+2.0	+12.1
<b>Front Royal, Va.</b>						<b>Los Angeles</b>					
Food.....	235.8	233.1	195.2 <sup>r</sup>	+1.2	+20.8	Food.....	204.2	200.7	173.2 <sup>r</sup>	+1.7	+17.9
Housing <sup>1</sup> .....	107.3	107.3	107.3	0	0	Housing <sup>1</sup> .....	106.2	106.2	106.2	0	0
Clothing.....	166.8	165.9	154.2	+0.5	+8.2	Clothing.....	143.2	143.0	132.5	+0.1	+8.1
Fuel and light.....	148.3	144.9	125.7	+2.3	+18.0	Fuel and light.....	93.4	93.4	93.4	0	0
Housefurnishings.....	139.2	139.2	135.7	0	+2.6	Housefurnishings.....	134.8	134.0	127.2	+0.6	+6.0
Sundries.....	135.4	135.5	127.4 <sup>r</sup>	-0.1	+6.3	Sundries.....	136.5	136.2	123.0 <sup>r</sup>	+0.2	+6.6
Weighted Total.....	159.5	158.6	143.7 <sup>r</sup>	+0.6	+11.0	Weighted Total.....	150.1	148.9	136.6 <sup>r</sup>	+0.8	+9.9
<b>Grand Rapids</b>						<b>Louisville</b>					
Food.....	208.4	207.8	172.3	+0.3	+21.0	Food.....	216.0	212.2	171.0	+1.8	+26.3
Housing <sup>1</sup> .....	106.5	106.5	106.5	0	0	Housing <sup>1</sup> .....	103.9	103.9	103.9	0	0
Clothing.....	153.5	151.7	145.3	+1.2	+5.6	Clothing.....	146.0	146.4	137.1	-0.3	+6.5
Fuel and light.....	138.1	135.9	118.0	+1.6	+17.0	Fuel and light.....	143.8	129.2	119.8	+11.3	+20.0
Housefurnishings.....	157.7	157.5	155.0	+0.1	+1.7	Housefurnishings.....	161.0	159.7	143.4 <sup>r</sup>	+0.8	+12.3
Sundries.....	144.3	143.4	130.6	+0.6	+10.5	Sundries.....	140.6	140.2	133.0	+0.3	+5.7
Weighted Total.....	157.7	156.9	140.5	+0.5	+12.2	Weighted Total.....	161.9	159.5	141.2 <sup>r</sup>	+1.5	+14.7
<b>Green Bay, Wis.</b>						<b>Macon</b>					
Food.....	201.1	194.9	152.6	+3.2	+31.8	Food.....	201.7	199.6	177.2	+1.1	+13.8
Housing <sup>1</sup> .....	106.8	106.8	102.8	0	+3.9	Housing <sup>1</sup> .....	114.0	114.0	114.0	0	0
Clothing.....	164.3	162.9	152.3	+0.9	+7.9	Clothing.....	153.5	153.1	143.6	+0.3	+6.9
Fuel and light.....	124.9	117.4	109.2	+6.4	+14.4	Fuel and light.....	111.1	103.2	100.1 <sup>r</sup>	+7.7	+11.0
Housefurnishings.....	148.9	147.5	134.2	+0.9	+11.0	Housefurnishings.....	149.3	146.3	139.6	+2.1	+6.9
Sundries.....	133.2	133.1	125.0	+0.1	+6.6	Sundries.....	132.0	130.1	125.1	+1.5	+5.5
Weighted Total.....	152.6	149.9	132.0	+1.8	+15.6	Weighted Total.....	153.7	151.7	141.3 <sup>r</sup>	+1.3	+8.8
<b>Houston</b>						<b>Meadville, Pa.</b>					
Food.....	206.0	203.7	171.0	+1.1	+20.5	Food.....	212.3	206.7	166.9	+2.7	+27.2
Housing <sup>1</sup> .....	105.7	105.7	105.7	0	0	Housing <sup>1</sup> .....	110.8	110.8	110.8	0	0
Clothing.....	148.2	146.2	136.2	+1.4	+8.8	Clothing.....	140.6	139.9	127.9	+0.5	+9.9
Fuel and light.....	81.8	81.8	81.8	0	0	Fuel and light.....	118.9	118.9	113.8 <sup>r</sup>	0	+4.5
Housefurnishings.....	138.8	136.9	119.3	+1.4	+16.3	Housefurnishings.....	147.9	148.3	141.4	-0.3	+4.6
Sundries.....	135.7	135.1	126.5	+0.4	+7.3	Sundries.....	143.2	142.7	128.6	+0.4	+11.4
Weighted Total.....	148.8	147.7	133.6	+0.7	+11.4	Weighted Total.....	155.1	153.2	135.5 <sup>r</sup>	+1.2	+14.5
<b>Huntington, W. Va.</b>						<b>Memphis</b>					
Food.....	210.9	206.5	172.0	+2.1	+22.6	Food.....	224.1	216.9	185.9	+3.3	+20.5
Housing <sup>1</sup> .....	111.7	111.7	111.7	0	0	Housing <sup>1</sup> .....	108.4	108.4	108.4	0	0
Clothing.....	147.6	147.7	138.9	-0.1	+6.3	Clothing.....	156.9	154.2	145.8	+1.8	+7.6
Fuel and light.....	100.0	100.0	100.0	0	0	Fuel and light.....	108.8	108.5	102.5	+0.3	+6.1
Housefurnishings.....	156.4	157.1	144.4	-0.4	+8.3	Housefurnishings.....	151.9	151.7	136.8	+0.1	+11.0
Sundries.....	140.1	138.9	129.9	+0.9	+7.9	Sundries.....	123.3	123.4	119.7	-0.1	+3.0
Weighted Total.....	158.0	156.3	140.9	+1.1	+12.1	Weighted Total.....	153.2	150.9	138.9	+1.5	+10.3

<sup>1</sup>Rents surveyed twice annually, June 15 and December 15. It is assumed no change has occurred since June 15.

<sup>r</sup>Revised.



# CONSUMERS' PRICE INDEXES FOR SIXTY CITIES—Continued

Source: THE CONFERENCE BOARD

NOTE: These indexes do NOT show intercity differences in price level or standards of living. They show only changes in consumers' prices in each city, which changes may be compared with those for other cities.

City	Index Numbers Jan., 1939=100			Percentage Changes		City	Index Numbers Jan., 1939=100			Percentage Changes	
	Aug. 1947	July 1947	Sept. 1946	July 1947 to Aug. 1947	Sept. 1946 to Aug. 1947		Aug. 1947	July 1947	Sept. 1946	July 1947 to Aug. 1947	Sept. 1946 to Aug. 1947
<b>Milwaukee</b>						<b>Parkersburg, W. Va.</b>					
Food.....	203.8	198.6	163.1 <sub>r</sub>	+2.4	+24.6	Food.....	215.6	214.8	164.8	+0.6	+30.8
Housing <sup>1</sup> .....	103.5	103.5	103.5	0	0	Housing <sup>1</sup> .....	104.2	104.2	104.2	0	0
Clothing.....	163.8	161.5	152.1	+1.1	+7.4	Clothing.....	150.8	150.3	127.0	+0.3	+18.7
Fuel and light.....	125.2	117.7 <sub>r</sub>	116.5	+6.4	+7.5	Fuel and light.....	100.1	100.1	100.1	0	0
Housefurnishings.....	158.2	155.4	142.0	+1.8	+11.4	Housefurnishings.....	152.9	152.7	135.2	+0.1	+13.1
Sundries.....	134.2	134.3	127.3	-0.1	+5.4	Sundries.....	130.8	130.2	124.0	+0.5	+5.5
Weighted Total.....	152.2	149.9 <sub>r</sub>	135.7	+1.5	+12.2	Weighted Total.....	159.2	158.5	135.6	+0.4	+17.4
<b>Minneapolis</b>						<b>Philadelphia</b>					
Food.....	220.8	214.2	181.9	+3.1	+21.4	Food.....	192.0	189.4	165.2	+1.4	+16.2
Housing <sup>1</sup> .....	103.7	103.7	103.7	0	0	Housing <sup>1</sup> .....	102.7	102.7	102.7	0	0
Clothing.....	167.9	156.5	143.0	+0.9	+10.4	Clothing.....	145.5	144.5	139.0	+0.7	+4.7
Fuel and light.....	120.7	115.7	109.8 <sub>r</sub>	+4.3	+9.9	Fuel and light.....	129.9	126.4	124.0 <sub>r</sub>	+2.8	+4.8
Housefurnishings.....	154.5	152.3	138.3	+1.4	+11.7	Housefurnishings.....	148.7	148.7	139.8	0	+6.4
Sundries.....	136.6	136.7	128.9	-0.1	+6.0	Sundries.....	140.5	139.9 <sub>r</sub>	127.8	+0.4	+9.9
Weighted Total.....	157.5	154.9	140.5 <sub>r</sub>	+1.7	+12.1	Weighted Total.....	153.0	151.5 <sub>r</sub>	138.7 <sub>r</sub>	+1.0	+10.3
<b>Muskegon</b>						<b>Pittsburgh</b>					
Food.....	244.2	242.9	199.9	+0.5	+22.2	Food.....	206.2	201.5	168.9	+2.3	+22.1
Housing <sup>1</sup> .....	115.2	115.2	115.2	0	0	Housing <sup>1</sup> .....	105.8	105.8	105.7	0	+0.1
Clothing.....	144.5	144.6	139.0	-0.1	+4.0	Clothing.....	147.4	146.3	135.2	+0.8	+9.0
Fuel and light.....	144.3	137.7	126.2	+4.8	+14.3	Fuel and light.....	125.4	123.8	117.0	+1.3	+7.2
Housefurnishings.....	138.9	139.9	126.6	-0.7	+9.7	Housefurnishings.....	139.3	138.0	127.4	+0.9	+9.3
Sundries.....	137.9	138.1	129.5	-0.1	+6.5	Sundries.....	135.9	135.5	126.0	+0.3	+7.9
Weighted Total.....	164.9	164.0	147.2	+0.5	+12.0	Weighted Total.....	153.9	151.9	136.6	+1.3	+12.7
<b>Newark</b>						<b>Portland, Ore.</b>					
Food.....	194.1	191.5	164.5	+1.4	+18.0	Food.....	208.5	207.6	170.9	+0.4	+22.0
Housing <sup>1</sup> .....	101.4	101.4	101.4	0	0	Housing <sup>1</sup> .....	110.0	110.0	110.0	0	0
Clothing.....	144.8	143.9	135.3	+0.6	+7.0	Clothing.....	159.5	160.1	150.8	-0.4	+5.8
Fuel and light.....	107.6	105.4	108.7	+2.1	-1.0	Fuel and light.....	121.9	121.9	125.0	0	-2.5
Housefurnishings.....	163.9	162.9	148.3	+0.6	+10.5	Housefurnishings.....	138.0	138.5	123.9	-0.4	+11.4
Sundries.....	129.4	129.3	123.1	+0.1	+5.1	Sundries.....	128.9	128.9	124.5	0	+8.5
Weighted Total.....	149.1	148.0	135.3	+0.7	+10.2	Weighted Total.....	153.4	153.2	139.2	+0.1	+10.2
<b>New Haven</b>						<b>Providence</b>					
Food.....	209.9	204.5	158.0	+2.6	+32.8	Food.....	207.7	205.6	173.4	+1.0	+19.8
Housing <sup>1</sup> .....	105.3	105.3	105.3	0	0	Housing <sup>1</sup> .....	103.3	103.3	103.3	0	0
Clothing.....	152.8	151.7	142.8	+0.7	+7.0	Clothing.....	148.9	148.8	142.4	+0.1	+4.6
Fuel and light.....	122.7	118.3	117.0	+3.7	+4.9	Fuel and light.....	125.3	121.9	117.7	+2.8	+6.5
Housefurnishings.....	143.4	143.2	134.2	+0.1	+6.9	Housefurnishings.....	129.8	128.1	127.8	+1.3	+1.6
Sundries.....	124.3	124.3	114.0	0	+9.0	Sundries.....	139.2	139.1	123.6	+0.1	+8.2
Weighted Total.....	151.7	149.4	130.2	+1.5	+16.5	Weighted Total.....	153.9	152.8	138.5	+0.7	+11.1
<b>New Orleans</b>						<b>Richmond</b>					
Food.....	215.9	210.1	178.1	+2.8	+21.2	Food.....	236.7	232.3	189.0	+1.9	+25.2
Housing <sup>1</sup> .....	110.6	110.6	110.6	0	0	Housing <sup>1</sup> .....	103.4	103.4	103.1	0	+0.3
Clothing.....	155.4	153.1	140.4	+1.5	+10.7	Clothing.....	153.3	152.6 <sub>r</sub>	137.6	+0.5	+11.4
Fuel and light.....	85.2	85.2	87.1	0	-2.2	Fuel and light.....	121.0	118.4	109.8	+2.2	+10.2
Housefurnishings.....	155.2	157.4	133.6	-1.4	+16.2	Housefurnishings.....	163.3	160.2	127.3	+1.9	+28.3
Sundries.....	131.4	131.5	123.4	-0.1	+6.5	Sundries.....	124.9	125.3	120.3	-0.3	+3.8
Weighted Total.....	161.0	158.7	142.2	+1.4	+13.2	Weighted Total.....	158.4	156.8 <sub>r</sub>	138.8	+1.0	+14.1
<b>New York</b>						<b>Roanoke, Va.</b>					
Food.....	198.1	192.3	164.9	+3.0	+20.1	Food.....	211.6	207.3	177.5	+2.1	+19.2
Housing <sup>1</sup> .....	100.8	100.8	100.8	0	0	Housing <sup>1</sup> .....	123.9	123.9	122.4	0	+1.2
Clothing.....	148.4	148.9	140.7	-0.3	+5.5	Clothing.....	159.7	160.8	145.2	-0.7	+10.0
Fuel and light.....	112.6	109.9	110.7	+2.5	+1.7	Fuel and light.....	133.5	132.3	115.8	+0.9	+15.3
Housefurnishings.....	149.5	149.6	138.8	-0.1	+7.7	Housefurnishings.....	149.4	147.8	138.8	+1.1	+7.6
Sundries.....	139.1	138.8	129.9	+0.2	+7.1	Sundries.....	136.6	136.6	124.5	0	+9.7
Weighted Total.....	152.2	150.0	136.8	+1.5	+11.3	Weighted Total.....	159.3	158.0	141.9	+0.8	+12.3
<b>Omaha</b>						<b>Rochester</b>					
Food.....	221.4	216.1	180.7	+2.5	+22.5	Food.....	214.5	211.2	171.9	+1.6	+24.8
Housing <sup>1</sup> .....	100.6	100.6	100.6	0	0	Housing <sup>1</sup> .....	103.9	103.9	103.9	0	0
Clothing.....	149.6	148.7	136.8	+0.6	+9.4	Clothing.....	156.3	155.2	144.5	+0.7	+8.2
Fuel and light.....	125.1	124.2	113.5 <sub>r</sub>	+0.7	+10.2	Fuel and light.....	142.2	134.9	131.9 <sub>r</sub>	+5.4	+7.8
Housefurnishings.....	165.3	165.2	153.2 <sub>r</sub>	+0.1	+7.9	Housefurnishings.....	175.6	173.9	149.6 <sub>r</sub>	+1.0	+17.4
Sundries.....	137.0	137.1	127.5 <sub>r</sub>	-0.1	+7.5	Sundries.....	143.0	143.1	135.6 <sub>r</sub>	-0.1	+5.5
Weighted Total.....	156.8	155.1	139.2	+1.1	+12.6	Weighted Total.....	158.1	156.4	140.5 <sub>r</sub>	+1.1	+12.5

<sup>1</sup>Rents surveyed twice annually, June 15 and December 15. It is assumed no change has occurred since June 15.

<sup>r</sup>Revised.



# CONSUMERS' PRICE INDEXES FOR SIXTY CITIES—Continued

Source: THE CONFERENCE BOARD

NOTE: These indexes do NOT show intercity differences in price level or standards of living. They show only changes in consumers' prices in each city, which changes may be compared with those for other cities.

City	Index Numbers Jan., 1939=100			Percentage Changes		City	Index Numbers Jan., 1939=100			Percentage Changes	
	Aug. 1947	July 1947	Sept. 1946	July 1947 to Aug. 1947	Sept. 1946 to Aug. 1947		Aug. 1947	July 1947	Sept. 1946	July 1947 to Aug. 1947	Sept. 1946 to Aug. 1947
<b>Rockford, Ill.</b>						<b>Spokane</b>					
Food.....	219.1	214.4	175.8	+2.2	+24.6	Food.....	199.5	194.2	173.3	+2.7	+15.1
Housing <sup>1</sup> .....	188.1	188.1	188.1	0	0	Housing <sup>1</sup> .....	102.0	102.0	102.0	0	0
Clothing.....	147.6	145.4	139.8	+1.5	+5.6	Clothing.....	142.8	137.1	131.1	+4.2	+8.9
Fuel and light.....	131.1	126.0	118.7 <sub>r</sub>	+4.0	+10.4	Fuel and light.....	143.9	142.8	136.3 <sub>r</sub>	+0.8	+5.6
Housefurnishings.....	149.5	149.5	138.3	0	+8.1	Housefurnishings.....	136.5	136.5	132.7	0	+2.9
Sundries.....	138.6	138.6	126.3 <sub>r</sub>	0	+9.7	Sundries.....	135.1	135.1 <sub>r</sub>	124.8	0	+8.3
Weighted Total.....	168.8	161.7	144.8 <sub>r</sub>	+1.3	+13.1	Weighted Total.....	152.2	150.0 <sub>r</sub>	138.8	+1.5	+9.7
<b>Sacramento</b>						<b>Syracuse</b>					
Food.....	211.9	209.0	175.1	+1.4	+21.0	Food.....	210.0	207.0	168.2	+1.4	+24.9
Housing <sup>1</sup> .....	105.7	105.7	105.7	0	0	Housing <sup>1</sup> .....	116.3	116.3	116.3	0	0
Clothing.....	163.2	161.1	150.5	+1.3	+8.4	Clothing.....	155.9	155.4	142.0	+0.3	+9.8
Fuel and light.....	77.0	77.0	76.8	0	+0.3	Fuel and light.....	136.7	131.8	130.8 <sub>r</sub>	+3.7	+4.5
Housefurnishings.....	167.4	165.7	148.8	+1.0	+12.5	Housefurnishings.....	155.9	155.9	142.1	0	+9.7
Sundries.....	133.3	133.3	126.9	0	+5.0	Sundries.....	130.9	130.8	119.6	+0.1	+9.4
Weighted Total.....	153.9	152.7	138.6	+0.8	+11.0	Weighted Total.....	155.0	153.6	137.2 <sub>r</sub>	+0.9	+13.0
<b>St. Louis</b>						<b>Toledo</b>					
Food.....	202.0	197.8	161.8	+2.1	+24.8	Food.....	211.0	207.5	171.3	+1.7	+23.2
Housing <sup>1</sup> .....	105.8	105.8	105.8	0	0	Housing <sup>1</sup> .....	113.1	113.1	113.1	0	0
Clothing.....	146.2	144.9	137.4	+0.9	+6.4	Clothing.....	152.6	151.2	144.0	+0.9	+6.0
Fuel and light.....	138.5	127.1	124.5 <sub>r</sub>	+9.0	+11.2	Fuel and light.....	129.4	128.0	115.1	+1.1	+12.4
Housefurnishings.....	145.1	145.1	128.5	0	+12.9	Housefurnishings.....	144.1	142.4	133.8	+1.2	+7.7
Sundries.....	129.5	129.4	122.2	+0.1	+6.0	Sundries.....	146.5	144.9	135.9	+1.1	+7.8
Weighted Total.....	152.5	150.2	134.5	+1.5	+13.4	Weighted Total.....	159.6	157.7	141.9	+1.2	+12.5
<b>St. Paul</b>						<b>Wausau, Wis.</b>					
Food.....	213.7	210.0	172.4	+1.8	+24.0	Food.....	225.6	224.1	181.7	+0.7	+24.2
Housing <sup>1</sup> .....	100.9	100.9	100.9	0	0	Housing <sup>1</sup> .....	102.7	102.7	102.7	0	0
Clothing.....	146.2	145.5	131.3	+0.5	+11.3	Clothing.....	172.4	172.2 <sub>r</sub>	158.4	+0.1	+8.8
Fuel and light.....	123.8	123.5	112.8 <sub>r</sub>	+0.2	+9.8	Fuel and light.....	131.7	120.8	115.7	+9.0	+13.8
Housefurnishings.....	162.6	165.3	140.2	-1.6	+16.0	Housefurnishings.....	144.7	144.7	132.9	0	+8.9
Sundries.....	136.9	137.2	127.6	-0.2	+7.3	Sundries.....	131.9	131.9	125.8	0	+4.8
Weighted Total.....	154.5	153.5	136.0 <sub>r</sub>	+0.7	+13.6	Weighted Total.....	159.0	157.3	140.0	+1.1	+12.8
<b>San Francisco - Oakland</b>						<b>Wilmington, Del.</b>					
Food.....	207.1	204.4	175.2	+1.3	+18.2	Food.....	193.5	190.0	167.2	+1.8	+15.7
Housing <sup>1</sup> .....	100.9	100.9	100.9	0	0	Housing <sup>1</sup> .....	104.9	104.9	104.9	0	0
Clothing.....	153.5	151.7	141.1	+1.2	+8.8	Clothing.....	155.1	154.7	143.2	+0.3	+8.3
Fuel and light.....	88.7	88.1	85.3	+0.7	+4.0	Fuel and light.....	116.5	113.2	111.9	+2.9	+4.1
Housefurnishings.....	148.6	146.9	133.5	+1.2	+11.3	Housefurnishings.....	158.2	156.7	131.9	+1.0	+19.9
Sundries.....	142.9	141.5 <sub>r</sub>	134.2	+1.0	+6.5	Sundries.....	127.4	127.2	119.6 <sub>r</sub>	+0.2	+6.5
Weighted Total.....	155.8	154.2 <sub>r</sub>	140.6	+1.0	+10.8	Weighted Total.....	151.3	149.8	137.0	+1.0	+10.4
<b>Seattle</b>						<b>Youngstown</b>					
Food.....	210.2	203.9	171.4	+3.1	+22.6	Food.....	215.6	210.1	182.2	+2.6	+18.3
Housing <sup>1</sup> .....	106.5	106.5	106.5	0	0	Housing <sup>1</sup> .....	105.6	105.6	105.6	0	0
Clothing.....	142.3	141.6	135.1	+0.5	+5.3	Clothing.....	160.7	157.0	151.9	+2.4	+5.8
Fuel and light.....	124.4	118.9	114.1	+4.6	+9.0	Fuel and light.....	124.8	124.8	113.2	0	+10.2
Housefurnishings.....	154.9	150.4	133.6	+3.0	+15.9	Housefurnishings.....	152.8	151.3	144.6	+1.0	+5.7
Sundries.....	133.7	133.6 <sub>r</sub>	129.9 <sub>r</sub>	+0.1	+6.8	Sundries.....	126.8	126.6	118.5	+0.2	+7.0
Weighted Total.....	156.4	153.8 <sub>r</sub>	139.1 <sub>r</sub>	+1.7	+12.4	Weighted Total.....	155.1	152.8	140.4	+1.5	+10.5

<sup>1</sup>Rents surveyed twice annually, June 15 and December 15. It is assumed no change has occurred since June 15.

<sub>r</sub>Revised.

## PERCENTAGE CHANGES IN INDEXES FOR SIX CITIES

	Weighted Total		Food		Housing <sup>1</sup>		Clothing		Fuel and Light		Housefurnishings		Sundries	
	July 1947 to Aug. 1947	Sept. 1946 to Aug. 1947	July 1947 to Aug. 1947	Sept. 1946 to Aug. 1947	July 1947 to Aug. 1947	Sept. 1946 to Aug. 1947	July 1947 to Aug. 1947	Sept. 1946 to Aug. 1947	July 1947 to Aug. 1947	Sept. 1946 to Aug. 1947	July 1947 to Aug. 1947	Sept. 1946 to Aug. 1947	July 1947 to Aug. 1947	Sept. 1946 to Aug. 1947
	Aug. 1947	Aug. 1947	Aug. 1947	Aug. 1947	Aug. 1947	Aug. 1947	Aug. 1947	Aug. 1947	Aug. 1947	Aug. 1947	Aug. 1947	Aug. 1947	Aug. 1947	Aug. 1947
Bellefonte, Pa.....	+0.6	+9.2	+0.3	+13.0	0	0	+1.2	+7.2	+5.1	+9.4	+0.2	+16.1	+0.2	+7.5
Evansville, Ind.....	+0.4	+9.8	+0.3	+19.6	0	+0.7	-0.2	-0.4	+2.4	+7.4	+0.3	+11.0	+0.6	+5.3
International Falls, Minn.....	+1.3	+12.6	+1.3	+17.8	0	+8.3	+1.3	+10.8	+7.1	+14.9	+1.5	+9.8	+0.7	+8.6
Joliet, Ill. <sup>2</sup> .....	+1.3	+12.3	+2.3	+21.4	0	0	+2.3	+7.1	+2.4	+10.9	+0.6	+10.4	0	+8.9
Lewistown, Pa.....	+0.6	+10.9	+0.6	+18.9	0	0	+0.1	+5.2	+3.7	+8.6	+0.1	+7.2	-0.1	+7.4
Trenton, N. J.....	+1.2	+9.7	+2.0	+13.6	0	+0.6	+0.4	+5.5	+5.2	+2.3	0	+2.2	+0.3	+11.9

<sup>1</sup>Rents surveyed twice annually, June 15 and December 15. It is assumed no change has occurred since June 15.

<sup>2</sup>Includes Lockport and Rockdale.



## Payroll Statistics in Manufacturing

**P**AYROLL figures generally moved upward in August. Actual hourly and weekly earnings, employment, man hours worked and payrolls were all higher than in July. Average hours, however, remained the same as in July and "real" hourly and weekly earnings declined slightly.

### HOURLY EARNINGS

Average hourly earnings in August exceeded all previous peaks for the eighteenth consecutive month. At \$1.365, they were 0.8% above the July figure and 12.2% greater than in August, 1946. They also topped the wartime high reached in June, 1945, by 25.4 cents, or 22.9%. Hourly earnings were higher in nineteen industries, with the silk, meat packing, furniture, hosiery, and news and magazine printing industries all showing gains ranging from 2.5 cents to 4.7 cents an hour.

Since the work week averaged the same as in July, with little or no change in overtime payments, wage-rate increases largely account for the rise in hourly earnings. According to the increases in wage rates reported to THE CONFERENCE BOARD by cooperating Associates, the average for all workers combined amounted to 0.3%. The averages for workers employed in hosiery, silk and northern cotton mills were 2.9%, 2.3% and 1.5%, respectively. These three were the only industries to report wage-rate increments averaging more than 1%.

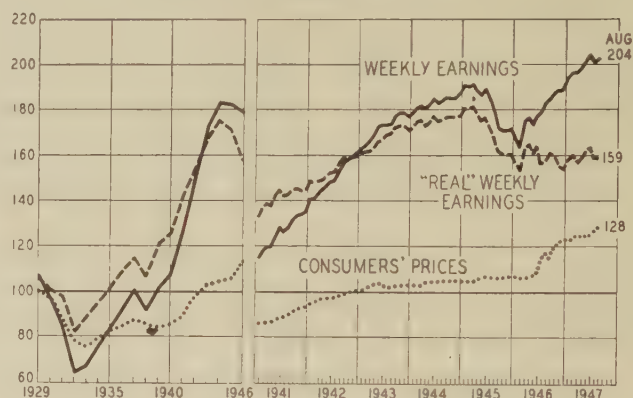
### WEEKLY EARNINGS

Weekly earnings also rose over the month. The August average of \$54.17 was 1% above July and just 0.1% below \$54.25, the peak recorded in June. In the two years that have elapsed since V-J day, actual hours have declined 8.5%, but despite the resultant loss in overtime pay, average weekly earnings have increased 13.5%. Fourteen of the twenty-five industries included in the survey disbursed higher weekly pay in August than in the preceding month. Only five of these increases, however, represented a combination of both higher hourly earnings and higher hours. In three industries, declines in hourly earnings were offset by increases in hours; in five, a reversal of this situation occurred; and in the remaining one, the furniture industry, the 2.6% rise in weekly earnings reflected only gains in hourly earnings.

Although average weekly earnings of all production workers advanced from July to August, the 1.2%

### Average Weekly Earnings in the Twenty-five Manufacturing Industries

Source: THE CONFERENCE BOARD  
Index Numbers, 1923=100



increase in the consumers' price index caused a slight decline in real weekly earnings—a measure of actual earnings adjusted for changes in the consumers' price index in terms of 1923 dollars.

This decrease amounted to only 0.2%, however, and left the August index of 158.9 (1923=100) 18.8% above January, 1941, the base date of the Little Steel formula, and 30.1% greater than in August, 1939, the month that preceded the outbreak of the war in Europe.

As in July, the work week was 39.7 hours. This represents a decline of 1.0% from August, 1946, and of 14.1% from January, 1945, the month in which wartime work weeks were the longest.

Average nominal hours, or the scheduled number of hours of operation of a plant, shift or department, dropped slightly during the month—0.1 hour—bringing the August average down to 40.8, a low point which had not been paralleled since January, 1942.

### EMPLOYMENT

Employment advanced in August, but only 0.6% beyond the July level, which was the lowest since October, 1946. The August index of 126.2 (1923=100) was 4.2% above that of August, 1946, and 5.6% higher than that of August, 1945 (the month including V-J day). However, since October-November, 1943, the wartime peak months, it has dropped 18.2%. Fourteen of the individual industries showed increased employment from July to August, but outstanding gains were evident only in the furniture,



# EARNINGS, HOURS, EMPLOYMENT, PAYROLLS, PRODUCTION WORKERS, TWENTY-FIVE MANUFACTURING INDUSTRIES

NOTE: Hourly earnings are not wage rates, because they include overtime and other monetary compensation

Date	Average Hourly Earnings	Average Weekly Earnings	Average Actual Hours per Week per Production Worker	Average Nominal Hours per Week per Production Worker	Index Numbers, 1925=100							
					Hourly Earnings		Weekly Earnings		Actual Hours per Week per Production Worker	Employ- ment	Total Man Hours	Payrolls
					Actual	Real	Actual	Real				
1946 August.....	\$1.217	\$48.74	40.1	41.1	225.0	192.3	183.2	156.6	81.5	121.1	98.7	221.9
September.....	1.229	49.14	40.0	41.1	227.2	198.1 <sub>r</sub>	184.7	161.0 <sub>r</sub>	81.3	122.7	99.8	226.6
October.....	1.231	49.79	40.4	41.0	227.5	189.6	187.1	155.9	82.1	123.2	101.1	230.5
November.....	1.243	50.14	40.4	41.0	229.8	189.3	188.4	155.2	82.1	125.8	103.3	237.0
December.....	1.247	50.23	40.4	41.0	230.5	187.1	188.8	153.2	82.1	126.1	103.5	238.1
1947 January.....	1.268	51.62	40.8	41.0	234.4	190.6	194.0	157.7	82.9	127.1	105.4	246.6
February.....	1.279	52.10	40.8	41.0	236.4	192.7	195.8	159.6	82.9	128.8	106.8	252.2
March.....	1.285	52.10	40.6	41.0	237.5	190.2	195.8	156.8	82.5	128.8	106.8	252.2
April.....	1.304	52.79	40.5	41.0	241.0	193.1	198.4	159.0	82.3	128.6	105.8	255.1
May.....	1.329	53.65	40.4	41.0	245.7	197.2	201.6	161.8	82.1	127.9	105.0	257.8
June.....	1.347	54.25	40.3	41.0	249.0	198.6	203.9	162.6	81.9	127.4	104.3	259.8
July.....	1.354 <sub>r</sub>	53.61 <sub>r</sub>	39.7	40.9	250.3 <sub>r</sub>	197.7 <sub>r</sub>	201.5 <sub>r</sub>	159.2	80.7	125.5 <sub>r</sub>	101.3 <sub>r</sub>	252.9 <sub>r</sub>
August.....	1.365	54.17	39.7	40.8	252.3	197.0	203.6	158.9	80.7	126.2	101.8	256.9

See footnotes on page 324.

<sub>r</sub>Revised.

## EARNINGS AND HOURS, PRODUCTION WORKERS, AUGUST, 1947

NOTE: Hourly earnings are not wage rates, because they include overtime and other monetary compensation

INDUSTRY	Average Earnings in Dollars				Average Hours per Week per Production Worker			
	Hourly		Weekly		Actual		Nominal	
	August	July	August	July	August	July	August	July
Agricultural implement.....	1.427	1.423	57.60	57.29	40.4	40.2	40.3	40.3
Automobile <sup>1</sup> .....	1.503	1.508	57.08	54.92 <sub>r</sub>	38.0	36.4	40.0	40.0
Boot and shoe.....	1.046	1.039	40.65	40.30	38.9	38.8	40.5	40.6
Chemical.....	1.409	1.410	53.68	53.46	38.1	37.9	40.3	40.3
Rayon producing <sup>2</sup> .....	1.224	1.224	46.96	47.16 <sub>r</sub>	38.4	38.5	40.2	40.2
Cotton—North.....	1.106	1.093	43.45	43.98	39.3	40.2	42.0	42.1
Electrical manufacturing.....	1.401	1.399	56.11	56.37	40.1	40.3	40.3	40.3
Furniture <sup>3</sup> .....	1.305	1.272 <sub>r</sub>	53.23	51.88 <sub>r</sub>	40.8	40.8 <sub>r</sub>	41.8	42.1 <sub>r</sub>
Hosiery and knit goods.....	1.103	1.056	43.63	40.87	39.6	38.7	41.0	41.0
Iron and steel <sup>4</sup> .....	1.556	1.539	57.73	55.25	37.1	35.9	40.6	40.7
Leather tanning and finishing.....	1.301	1.316	53.58	55.15	41.2	41.9	41.6	41.6 <sub>r</sub>
Lumber and millwork.....	1.458	1.459	61.63	61.06	42.3	41.9	41.5	41.5
Meat packing.....	1.285	1.258 <sub>r</sub>	55.64	55.74 <sub>r</sub>	43.3	44.3 <sub>r</sub>	40.3	40.2
Paint and varnish.....	1.305	1.292	52.35	52.64	40.1	40.8	41.5	41.5
Paper and pulp.....	1.278	1.258 <sub>r</sub>	55.92	55.50 <sub>r</sub>	43.7	44.1 <sub>r</sub>	41.5	41.6
Paper products.....	1.186	1.164	48.60	47.89	41.0	41.1	42.3	42.4
Printing—book and job.....	1.499	1.500 <sub>r</sub>	62.07	62.64 <sub>r</sub>	41.4	41.8 <sub>r</sub>	41.4	42.0 <sub>r</sub>
Printing—news and magazine.....	1.752	1.700	69.47	66.01	39.6	38.8	40.0	40.0
Rubber.....	1.532	1.521	57.34	57.24	37.4	37.6	38.0	38.0
1. Rubber tires and tubes.....	1.684	1.670	62.14	61.62	36.9	36.9	37.4	37.4
2. Other rubber products.....	1.289	1.282	49.37	49.82	38.3	38.9	39.0	39.1
Silk and rayon.....	1.168	1.143	46.72	47.08	40.0	41.2	40.6	40.7
Wool.....	1.206	1.209	48.02	48.65	39.8	40.2	40.8	40.4
1. Woolen and worsted goods.....	1.209	1.205	48.67	47.93	40.3	39.8	41.1	40.4
2. Other woolen products <sup>5</sup> .....	1.202	1.213	47.10	49.57	39.2	40.9	40.4	40.2
Foundries and machine shops.....	1.389	1.376	54.95	55.18	39.6	40.1	40.9	41.1
1. Foundries.....	1.402	1.395	54.89	56.13	39.1	40.2	40.4	40.4
2. Machines and machine tools.....	1.373	1.372	55.42	55.86	40.4	40.7	41.1	41.1
3. Heavy equipment.....	1.430	1.409	57.51	57.07	40.2	40.5	41.4	41.8
4. Hardware and small parts.....	1.317	1.313	51.53	52.89	39.1	40.3	40.9	41.1
5. Other products.....	1.397	1.380	54.55	54.37	39.1	39.4	40.7	40.7
25 INDUSTRIES.....	1.365	1.354 <sub>r</sub>	54.17	53.61 <sub>r</sub>	39.7	39.7	40.8	40.9
Cement.....	1.221	1.212 <sub>r</sub>	49.24	48.39 <sub>r</sub>	40.3	39.9	40.0	40.0
Petroleum refining.....	1.628	1.633 <sub>r</sub>	63.98	65.85 <sub>r</sub>	39.3	40.3	40.2	40.2
27 INDUSTRIES.....	1.368	1.356 <sub>r</sub>	54.27	53.74 <sub>r</sub>	39.7	39.7	40.8	40.9
Aircraft.....	1.445	1.447	57.04	58.60	39.5	40.5	40.2	40.3
Shipbuilding.....	1.459	1.454	57.02	57.25	39.1	39.4	40.3	40.3

See footnotes on page 324.



hosiery and leather tanning industries, which expanded 15.3%, 10.3% and 3.2%, respectively. The remaining rises amounted to 1.4% or less.

### PAYROLLS

Payrolls also turned upward in August, reaching a point 1.6% above the July index. Despite this partial recovery from the sharp losses that occurred from June to July, they were still 11% below the postwar peak, which was recorded in June. From November, 1943, when the highest level in this series was reached, to August, 1947, the decline in the payroll index has been 6.8%. Since the termination of hostilities with Japan, payrolls, have, however, increased 19.8%. August payrolls were higher in fifteen industries, lower in nine, and were the same in the woolen and worsted goods industry.

### CEMENT AND PETROLEUM

The number of unskilled males in cement plants declined slightly from July to August. But an appreciable increase in the number of skilled workers, who comprise the largest group in the industry, brought the total number of workers in the cement industry

2.2% above the July level. Actual hours worked also increased, with consequent pay for more overtime. Average hourly earnings for all production workers thus rose over the month period. Unskilled workers averaged almost four cents, or 3.6%, more in August and worked 5.5% more hours. The skilled male group made only a fractional gain in earnings. Their work week was also slightly longer.

### Wage-rate Increases and Workers Affected

Source: THE CONFERENCE BOARD

Date	25 Manufacturing Industries	
	Production Workers Affected	Wage-rate Increase
1946 August	5.5%	9.6%
September	1.8	8.0
October	1.9	8.0
November	2.7	7.3
December	1.8	7.9
1947 January	4.1	8.6
February	3.4	10.6
March	1.5	7.0
April	6.8	7.2
May	18.5	9.1
June	8.6	8.7
July	4.8	7.4
August	3.9	6.9

### EARNINGS, EMPLOYMENT, MAN HOURS, AND PAYROLLS, PRODUCTION WORKERS, AUGUST, 1947

Index Numbers, 1923=100

NOTE: Hourly earnings are not wage rates, because they include overtime and other monetary compensation

INDUSTRY	Average Earnings						Employment	Total Man Hours Worked	Payrolls			
	Hourly, Actual	Weekly										
		Actual		Real								
		August	July	August	July	August					July	August
Agricultural implement.....	256.7	255.9	209.4	208.3	163.5	164.5 <sub>r</sub>	197.9	196.9	161.5	159.9	414.4	410.1
Automobile <sup>1</sup> .....	237.8	238.6	189.4	182.2	147.9	143.9 <sub>r</sub>	127.3	129.7	101.5	99.0	241.1	236.3
Boot and shoe.....	199.2	197.9	168.5	167.1	131.5	132.0 <sub>r</sub>	104.3	103.2	88.3	87.2	175.7	172.4
Chemical.....	277.4	277.6	208.4	207.5	162.7	163.9 <sub>r</sub>	203.0	202.5	152.9	151.7	423.1	420.2
Cotton—North.....	248.5	245.6	204.6	207.1	159.7	163.6 <sub>r</sub>	41.2	41.5	33.9	34.9	84.3	85.9
Electrical manufacturing.....	246.7	246.3	207.1	208.1	161.7	164.4 <sub>r</sub>	263.1	264.7	220.7	223.1	544.9	550.8
Furniture <sup>2</sup> .....	252.4	246.0 <sub>r</sub>	213.4	208.0 <sub>r</sub>	166.6	164.3 <sub>r</sub>	135.2	117.3 <sub>r</sub>	114.4	99.2 <sub>r</sub>	288.5	244.0 <sub>r</sub>
Hosiery and knit goods.....	288.7	276.4	246.9	231.3	192.7	182.7 <sub>r</sub>	97.3	88.2	83.2	73.7	240.2	204.0
Iron and steel <sup>4</sup> .....	261.1	258.2	168.7	161.5	131.7	127.6 <sub>r</sub>	128.2	127.8	82.4	79.5	216.3	206.4
Leather tanning and finishing.....	267.7	270.8	231.3	238.1	180.6	188.1 <sub>r</sub>	73.4	71.1	63.6	62.6	169.8	169.3
Lumber and millwork.....	308.2	308.5	263.2	260.7	205.5	205.9 <sub>r</sub>	56.5	55.8	48.3	47.2	148.7	145.5
Meat packing.....	271.7	266.0 <sub>r</sub>	236.4	236.8 <sub>r</sub>	184.5	187.0 <sub>r</sub>	104.4	106.5	90.9	96.0	246.8	254.5
Paint and varnish.....	231.8	229.5	199.4	200.5	155.7	158.4 <sub>r</sub>	172.4	170.6	148.1	149.1	343.8	342.1
Paper and pulp.....	253.6	249.6 <sub>r</sub>	214.4	212.8 <sub>r</sub>	167.4	168.1 <sub>r</sub>	147.3	145.5	124.3	124.1	315.8	308.6
Paper products.....	259.5	254.7	217.4	214.3	169.7	169.3 <sub>r</sub>	189.8	189.9	160.2	160.7	412.6	407.0
Printing—book and job.....	229.6	229.7 <sub>r</sub>	207.2	209.1 <sub>r</sub>	161.7	165.2 <sub>r</sub>	155.5	157.7 <sub>r</sub>	140.3	143.7 <sub>r</sub>	322.2	329.8 <sub>r</sub>
Printing—news and magazine.....	252.8	245.3	222.4	211.4	173.6	167.0 <sub>r</sub>	147.1	147.6	129.4	127.2	327.2	312.0
Rubber.....	244.7	243.0	204.6	204.2	159.7	161.3 <sub>r</sub>	142.7	142.0	119.2	119.1	292.0	290.0
Silk and rayon.....	235.5	230.4	202.9	204.4	158.4	161.5 <sub>r</sub>	90.4	91.3	77.7	80.9	183.4	186.6
Wool.....	238.8	239.4	200.3	203.0	156.4	160.3 <sub>r</sub>	81.9	80.8	68.6	68.4	164.0	164.0
Foundries and machine shops.....	242.4	240.1	193.7	194.5	151.2	153.6 <sub>r</sub>	140.0	140.8	111.7	113.8	271.2	273.9
1. Foundries.....	237.6	236.4	185.4	189.6	144.7	149.8 <sub>r</sub>	158.0	158.0	123.1	126.6	292.9	299.6
2. Machines and machine tools.....	250.1	249.9	203.0	204.6	158.5	161.6 <sub>r</sub>	138.2	137.9	112.1	112.7	280.5	282.1
3. Heavy equipment.....	213.4	210.3	174.2	172.8	136.0	136.5 <sub>r</sub>	112.3	112.0	91.5	92.1	195.6	193.5
4. Hardware and small parts.....	257.2	256.4	207.7	213.2	162.1	168.4 <sub>r</sub>	143.2	145.4	115.4	120.8	297.4	310.0
5. Other products.....	249.5	246.4	199.6	198.9	155.8	157.1 <sub>r</sub>	142.0	144.0	113.7	116.2	283.4	286.4
25 INDUSTRIES.....	252.3	250.3 <sub>r</sub>	203.6	201.5 <sub>r</sub>	158.9	159.2	126.2	125.5 <sub>r</sub>	101.8	101.3 <sub>r</sub>	256.9	252.9 <sub>r</sub>

NOTE: No basic 1923 data are available, hence no indexes are given for the following: Rayon producing, rubber tires and tubes, other rubber products, woolen and worsted goods, other woolen products, cement, petroleum refining, "27 industries," aircraft and shipbuilding.

See footnotes on page 324.



## EARNINGS AND HOURS, MALE AND FEMALE PRODUCTION WORKERS, AUGUST, 1947

NOTE: Hourly earnings are not wage rates, because they include overtime and other monetary compensation

INDUSTRY	All Male						Female					
	Average Earnings in Dollars				Average Hours per Week per Production Worker		Average Earnings in Dollars				Average Hours per Week per Production Worker	
	Hourly		Weekly				Hourly		Weekly			
	August	July	August	July	August	July	August	July	August	July	August	July
Agricultural implement.....	1.483	1.429	57.92	57.57	40.4	40.3	1.259	1.266	49.00	49.56	38.9	39.1
Automobile <sup>1</sup> .....	1.526	1.532	58.27	56.01 <sub>r</sub>	38.2	36.6 <sub>r</sub>	1.293	1.297	46.69	45.77	38.1	35.3
Boot and shoe.....	1.185	1.176	46.68	45.91	39.4	39.0	.900	.896	34.51	34.56	38.3	38.6
Chemical.....	1.469	1.470	56.29	56.06	38.3	38.1	1.028	1.028	37.80	37.64	38.8	36.6
Rayon producing <sup>2</sup> .....	1.276	1.276	49.62	49.85 <sub>r</sub>	38.9	39.1 <sub>r</sub>	1.059	1.059 <sub>r</sub>	38.93	39.12 <sub>r</sub>	36.8	36.9 <sub>r</sub>
Cotton—North.....	1.173	1.160	47.90	48.83	40.9	42.1	.996	.989	36.75	37.15	36.9	37.6
Electrical manufacturing.....	1.487	1.485	60.93	61.20	41.0	41.2	1.153	1.154	43.44	43.76	37.7	37.9
Furniture <sup>3</sup> .....	1.337	1.306 <sub>r</sub>	54.85	53.49 <sub>r</sub>	41.0	40.9 <sub>r</sub>	1.050	1.009 <sub>r</sub>	41.18	39.80 <sub>r</sub>	39.2	39.4 <sub>r</sub>
Hosiery and knit goods.....	1.488	1.415	61.67	55.99	41.4	39.6	.908	.884	35.11	33.85	38.7	38.3
Iron and steel <sup>4</sup> .....	1.561	1.544	57.95	55.45	37.1	35.9	1.167	1.168	41.49	40.85	35.6	35.0
Leather tanning and finishing.....	1.926	1.841	55.50	56.69	41.9	42.3	1.126	1.156	41.63	45.97	37.0	39.8
Lumber and millwork.....	1.475	1.474	62.54	61.89	42.4	42.0	1.036	1.052	41.00	40.98	39.6	39.0
Meat packing.....	1.324	1.295 <sub>r</sub>	58.34	58.28 <sub>r</sub>	44.1	45.0 <sub>r</sub>	1.093	1.073 <sub>r</sub>	43.48	43.97 <sub>r</sub>	39.8	41.0 <sub>r</sub>
Paint and varnish.....	1.324	1.309	53.34	53.59	40.3	40.9	1.003	1.003	37.48	38.21	37.4	38.1
Paper and pulp.....	1.298	1.276 <sub>r</sub>	57.09	56.71 <sub>r</sub>	44.0	44.4 <sub>r</sub>	.959	.937 <sub>r</sub>	38.24	36.89 <sub>r</sub>	39.9	39.4
Paper products.....	1.283	1.264	54.38	53.47	42.4	42.3	.928	.911	34.96	35.00	37.7	38.4
Printing—book and job.....	1.695	1.708 <sub>r</sub>	73.30	73.59 <sub>r</sub>	43.3	43.1 <sub>r</sub>	1.021	1.020 <sub>r</sub>	38.33	39.73 <sub>r</sub>	37.5	38.9 <sub>r</sub>
Printing—news and magazine.....	1.868	1.814	74.53	70.70	39.9	39.0	1.020	1.006	38.88	38.12	38.1	37.9
Rubber.....	1.642	1.630	62.19	61.92	37.9	38.0	1.144	1.142	41.06	41.64	35.9	36.5
1. Rubber tires and tubes.....	1.740	1.724	64.95	64.19	37.3	37.2	1.315	1.321	45.10	46.08	34.3	34.9
2. Other rubber products.....	1.428	1.424	55.88	56.59	39.1	39.7	1.044	1.038	38.53	38.88	36.9	37.5
Silk and rayon.....	1.238	1.210	50.51	50.75	40.8	41.9	.994	.957	37.91	37.57	38.2	39.2
Wool.....	1.262	1.265	51.71	52.54	41.0	41.5	1.097	1.093	41.39	41.34	37.7	37.8
1. Woolen and worsted goods.....	1.262	1.256	52.38	51.86	41.5	41.3	1.126	1.120	43.28	41.97	38.5	37.5
2. Other woolen products <sup>5</sup> .....	1.262	1.274	50.93	53.27	40.4	41.8	1.036	1.046	37.54	40.21	36.3	38.4
Foundries and machine shops.....	1.417	1.405	56.34	56.63	39.8	40.3	1.109	1.094	41.69	41.62	37.6	38.1
1. Foundries.....	1.409	1.401	55.23	56.45	39.2	40.3	1.155	1.159	43.24	45.55	37.4	39.3
2. Machines and machine tools.....	1.386	1.386	56.14	56.67	40.5	40.9	1.145	1.116	42.97	42.19	37.5	37.8
3. Heavy equipment.....	1.437	1.416	57.85	57.41	40.3	40.6	1.150	1.135	44.12	44.23	38.4	39.0
4. Hardware and small parts.....	1.371	1.366	54.17	55.65	39.5	40.7	1.026	1.031	38.17	39.38	37.2	38.2
5. Other products.....	1.441	1.425	56.62	56.52	39.3	39.7	1.137	1.114	42.93	42.18	37.7	37.9
25 INDUSTRIES.....	1.439	1.429 <sub>r</sub>	57.71	57.05 <sub>r</sub>	40.2	40.0 <sub>r</sub>	1.020	1.008 <sub>r</sub>	38.56	38.42 <sub>r</sub>	37.8	38.2
Cement.....	1.221	1.212 <sub>r</sub>	49.24	48.39 <sub>r</sub>	40.3	39.9	.....	.....	.....	.....	.....	.....
Petroleum refining.....	1.628	1.633 <sub>r</sub>	63.98	65.85 <sub>r</sub>	39.3	40.3	.....	.....	.....	.....	.....	.....
27 INDUSTRIES.....	1.441	1.430 <sub>r</sub>	57.74	57.11 <sub>r</sub>	40.1	40.0 <sub>r</sub>	.....	.....	.....	.....	.....	.....
Aircraft.....	1.471	1.470	58.12	59.65	39.5	40.6	1.259	1.263	49.17	50.32	39.0	39.8
Shipbuilding.....	1.462	1.457	57.16	57.40	39.1	39.4	1.085	1.073	39.03	40.21	36.0	37.5

See footnotes on page 324.

In the petroleum industry, a reversal of this pattern occurred. While total employment rose almost 1% from July to August, the proportion of skilled workers was slightly reduced. Thus, with fewer men in the more highly compensated group and with a 2.5% curtailment of hours reflected in decreased overtime pay, average hourly earnings of production workers in petroleum refineries also declined. The August average of \$1.628, however, was only 0.3% below the peak for the series, which was recorded in July.

## AIRCRAFT AND SHIPBUILDING

Only minor changes occurred in the composite payroll statistics for the aircraft industry in August. Hourly earnings were fractionally lower and an hour was cut off the average work week. For unskilled employees, hours worked averaged 1.0% more than in July, and hourly earnings were almost 4% higher. Unskilled employment was reduced 13.3% over the month.

In each of the three labor groups, the number of shipyard workers decreased slightly from July to August, the total amounting to little more than 1%. Employment in the industry has fallen 83.0% since the wartime peak in October, 1943. Both average hourly earnings and average hours worked a week remained at about July levels. The proportion of workers remained practically unchanged.

## LABOR STATISTICS IN AUGUST

Hourly earnings were increased 0.8% from July to August and 12.2% over the year from last August. Since 1929, the rise was 89.6%.

Weekly earnings were 1% greater in August than July. They have advanced 11.1% since August, 1946, and 89.7% since the year 1929.

Real weekly earnings were 0.2% less in August than the preceding month, but 1.5% more than in August,



# EARNINGS AND HOURS, UNSKILLED AND SKILLED AND SEMI-SKILLED MALE PRODUCTION WORKERS, AUGUST, 1947

NOTE: Hourly earnings are not wage rates, because they include overtime and other monetary compensation

INDUSTRY	Unskilled						Skilled and Semi-Skilled					
	Average Earnings in Dollars				Average Hours per Week per Production Worker		Average Earnings in Dollars				Average Hours per Week per Production Worker	
	Hourly		Weekly		August	July	Hourly		Weekly		August	July
	August	July	August	July			August	July	August	July		
Agricultural implement.....	1.235	1.241	48.68	49.28	39.4	39.7	1.469	1.462	59.63	59.07	40.6	40.4
Automobile <sup>1</sup> .....	1.305	1.316	50.94	48.95	39.0	37.2	1.551	1.560	59.08	56.91 <sub>r</sub>	38.1	36.5
Boot and shoe.....	.647	.648	27.96	27.52	43.2	42.4	1.208	1.199	47.42	46.64	39.3	38.9
Chemical.....	1.235	1.223	48.31	47.80	39.1	38.7	1.530	1.536	58.32	58.33	38.1	38.0
Rayon producing <sup>2</sup> .....	1.042	1.037	40.13	39.61 <sub>r</sub>	38.5	38.2	1.307	1.306	50.84	51.16 <sub>r</sub>	38.9	39.2 <sub>r</sub>
Cotton—North.....	1.110	1.086	45.33	45.03	40.8	41.5	1.197	1.188	49.03	50.30	41.0	42.4
Electrical manufacturing.....	1.225	1.224	49.37	49.75	40.3	40.6	1.525	1.523	62.64	62.89	41.1	41.3
Furniture <sup>3</sup> .....	.993	.963 <sub>r</sub>	41.67	39.43 <sub>r</sub>	42.0	41.0 <sub>r</sub>	1.367	1.334 <sub>r</sub>	55.94	54.62 <sub>r</sub>	40.9	40.9 <sub>r</sub>
Hosiery and knit goods.....	.998	.952	44.30	41.90	44.4	44.0	1.550	1.479	63.68	57.72	41.1	39.0
Iron and steel <sup>4</sup> .....	1.256	1.246	43.60	42.08	34.7	33.8	1.633	1.614	61.61	58.82	37.7	36.5
Leather tanning and finishing.....	1.116	1.130	45.88	46.29	41.1	41.0	1.361	1.375	57.13	58.41	42.0	42.5
Lumber and millwork.....	1.086	1.091	46.33	46.09	42.7	42.3	1.609	1.603	68.08	67.12	42.3	41.9
Meat packing.....	1.162	1.145 <sub>r</sub>	49.23	50.31 <sub>r</sub>	42.4	43.9 <sub>r</sub>	1.381	1.344 <sub>r</sub>	61.68	60.98 <sub>r</sub>	44.7	45.4 <sub>r</sub>
Paint and varnish.....	1.132	1.126	46.99	47.38	41.5	42.1	1.396	1.378	55.61	55.84	39.8	40.5
Paper and pulp.....	1.129	1.112 <sub>r</sub>	47.67	47.41 <sub>r</sub>	42.2	42.6	1.369	1.346 <sub>r</sub>	61.29	60.89 <sub>r</sub>	44.8	45.3 <sub>r</sub>
Paper products.....	1.064	1.051	44.44	43.65	41.8	41.5	1.358	1.336	57.86	56.92	42.6	42.6
Printing—book and job.....	1.167	1.163 <sub>r</sub>	51.57	51.89 <sub>r</sub>	44.2	44.6 <sub>r</sub>	1.914	1.931 <sub>r</sub>	82.07	82.09 <sub>r</sub>	42.9	42.5 <sub>r</sub>
Printing—news and magazine.....	1.213	1.207	45.23	44.09	37.3	36.5	2.055	1.988	83.66	78.93	40.7	39.7
Rubber.....	1.370	1.349	51.38	50.18	37.5	37.2	1.648	1.637	62.45	62.23	37.9	38.0
1. Rubber tires and tubes.....	1.451	1.431	53.69	51.80	37.0	36.2	1.747	1.731	65.24	64.54	37.3	37.3
2. Other rubber products.....	1.058	1.046	41.60	43.23	39.3	41.3	1.436	1.433	56.19	56.89	39.1	39.7
Wool.....	1.108	1.117	45.30	46.83	40.9	41.9	1.336	1.343	54.81	55.50	41.0	41.3
1. Woolen and worsted goods.....	1.146	1.154	46.94	47.58	41.0	41.2	1.330	1.326	55.59	54.79	41.8	41.3
2. Other woolen products <sup>5</sup> .....	1.046	1.059	42.66	45.62	40.8	43.1	1.344	1.358	54.02	56.13	40.2	41.3
Foundries and machine shops.....	1.207	1.196	47.61	48.02	39.5	40.2	1.457	1.446	58.05	58.33	39.8	40.3
1. Foundries.....	1.228	1.235	48.62	51.04	39.6	41.3	1.473	1.461	57.52	58.32	39.0	39.9
2. Machines and machine tools.....	1.165	1.161	48.37	48.74	41.5	42.0	1.417	1.418	57.20	57.75	40.4	40.7
3. Heavy equipment.....	1.162	1.150	45.36	45.51	39.1	39.6	1.482	1.460	59.98	59.45	40.5	40.7
4. Hardware and small parts.....	1.193	1.165	46.62	47.60	39.1	40.8	1.415	1.416	56.05	57.62	39.6	40.7
5. Other products.....	1.257	1.241	49.05	48.20	39.0	38.9	1.475	1.458	58.01	58.06	39.3	39.8
24 INDUSTRIES <sup>6</sup> .....	1.168	1.160 <sub>r</sub>	46.82	46.45 <sub>r</sub>	40.2	40.2	1.506	1.495 <sub>r</sub>	60.39	59.60 <sub>r</sub>	40.1	39.9 <sub>r</sub>
Cement.....	1.079	1.042 <sub>r</sub>	41.08	37.66 <sub>r</sub>	38.1	36.1	1.235	1.229 <sub>r</sub>	50.10	49.60 <sub>r</sub>	40.6	40.4
Petroleum refining.....	1.247	1.255 <sub>r</sub>	50.44	51.83 <sub>r</sub>	40.4	41.3	1.669	1.672 <sub>r</sub>	65.40	67.25 <sub>r</sub>	39.2	40.2
26 INDUSTRIES <sup>6</sup> .....	1.168	1.160 <sub>r</sub>	46.80	46.43 <sub>r</sub>	40.2	40.2	1.507	1.496 <sub>r</sub>	60.39	59.65 <sub>r</sub>	40.1	39.9 <sub>r</sub>
Aircraft.....	1.321	1.271	54.16	51.60	41.0	40.6	1.475	1.476	58.26	59.91	39.5	40.6
Shipbuilding.....	1.129	1.133	42.31	42.93	37.5	37.9	1.507	1.501	59.27	59.45	39.3	39.6

NOTE: The wage data here given are for cash payments only and do not take into consideration the value of such wage equivalents as reduced or free house rents or other special services rendered by the company to employees. Various forms of wage equivalents are in use in industrial establishments in many localities, but the part which they play as compensation for work performed cannot be taken into account in a study of this character.

<sup>1</sup>Based on data collected by the Automobile Manufacturers Association and THE CONFERENCE BOARD.

<sup>2</sup>Based on data collected by the Textile Economics Bureau, Inc. and THE CONFERENCE BOARD.

<sup>3</sup>Includes wood, metal, and upholstered household and office furniture.

<sup>4</sup>Based on data collected by the American Iron and Steel Institute and THE CONFERENCE BOARD.

<sup>5</sup>Principally rugs.

<sup>6</sup>Silk and rayon industry not included, as adequate data for unskilled and skilled groups are not available for this industry.

<sub>r</sub>Revised.

1946. Real weekly earnings have increased 48.2% since 1929.

Hours per week in August remained at 39.7. This average was 1% less than in August, 1946, and 17.8% below the 1929 annual average.

Employment in August rose 0.6% over the month and 4.2% over the year. From 1929 to this August, the increase was 25.0%.

Man hours advanced 0.5% from July to August. Since August, 1946, and the year 1929, the rise has been 3.1% and 2.6%, respectively.

Payrolls in August were 1.6% above the July index and 15.8% greater than that of August, 1946. Since 1929, they have increased 137.0%.

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# Earnings and Hours in Gas and Electricity

**W**ORKERS in the gas and electricity utilities averaged more for an hour's work in June, 1947, than in any previous month. THE CONFERENCE BOARD's semiannual survey of earnings and hours in these industries showed that the weekly earnings of the men engaged in the generation and distribution of electricity were also at a new peak in June, but the workers in the gas industry earned slightly less in an average week than in January because their working hours were reduced more than two hours between January and June.

## GAS

From January to June of this year, hourly earnings of the men employed in the manufacture and distribution of gas were increased 4.6%. The June average of \$1.261 was the highest recorded since these surveys were begun. Since these men worked 5.3% fewer hours a week in June than in January, their weekly earnings were slightly reduced. The decrease amounted to only 0.5%, so that the \$53.12 averaged in June was higher than in any of the surveys previous to January of this year. It was 12.7% greater than in June, 1946, while hourly earnings rose 12.0% over the year. The work week this June was almost the same as that of last June—41.5 hours this year, 41.3 hours in 1946.

The highest hourly earnings in this latest survey, as in the previous one, were reported from the Middle West, and the lowest from the South. But the increase in the hourly return of the Middle West workers from January to June was only 3.4%, while in the South the men employed in the gas industry increased their earnings 6.8% for an average hour's work. In the East and the South, weekly earnings also rose, but in the Middle and Far West substantial declines were recorded because of large cuts in working hours in these two regions. The work week was also reduced between January and June in the East and the South, but only 2.1% and 1.4% respectively, while the reduction in hours in the Far West amounted to 11.7% and that in the Middle West to 9.8%.

## Hourly Earnings Rise

In June, 1947, 26.2% of the workers in the gas industry were classified as unskilled—almost the same distribution as that of July, 1941, (the last survey before we entered the war) when the unskilled workers made up 26.9% of the total. After that date, the proportion of unskilled men dropped each time to the low point of 13.5% in June, 1945, and then rose in each survey through the present one. The hourly earnings of both the skilled and unskilled workers rose from January to June of this year, and the weekly

TABLE 1: EARNINGS AND HOURS IN PRODUCTION AND DISTRIBUTION OF GAS AND ELECTRICITY BY JOB CLASSIFICATION, JANUARY AND JUNE, 1947

Source: THE CONFERENCE BOARD

Date	GAS						ELECTRICITY					
	UNSKILLED			SEMI-SKILLED AND SKILLED			UNSKILLED			SEMI-SKILLED AND SKILLED		
	Average Hourly Earnings	Average Weekly Earnings	Average Hours per Week per Wage Earner	Average Hourly Earnings	Average Weekly Earnings	Average Hours per Week per Wage Earner	Average Hourly Earnings	Average Weekly Earnings	Average Hours per Week per Wage Earner	Average Hourly Earnings	Average Weekly Earnings	Average Hours per Week per Wage Earner
INSIDE PRODUCTION												
January, 1947.....	\$1.064	\$45.00 <sup>r</sup>	42.3	\$1.258 <sup>r</sup>	\$55.39 <sup>r</sup>	44.0	\$1.030	\$43.53 <sup>r</sup>	42.3 <sup>r</sup>	\$1.387	\$58.67 <sup>r</sup>	42.3
June, 1947.....	1.086	44.25	40.7	1.334	55.51	41.6	1.076	44.86	41.7	1.458	61.51	42.2
INSIDE MAINTENANCE												
January, 1947.....	\$ .983 <sup>r</sup>	\$39.48 <sup>r</sup>	40.2	\$1.300	\$56.81 <sup>r</sup>	43.7	\$1.019 <sup>r</sup>	\$41.59 <sup>r</sup>	40.8 <sup>r</sup>	\$1.401 <sup>r</sup>	\$59.68 <sup>r</sup>	42.6
June, 1947.....	1.078	42.90	39.8	1.392	57.71	41.5	1.047	42.98	41.0	1.432	63.61	42.9
OUTSIDE												
January, 1947.....	\$ .950 <sup>r</sup>	\$39.05 <sup>r</sup>	41.1 <sup>r</sup>	\$1.248 <sup>r</sup>	\$56.29 <sup>r</sup>	45.1 <sup>r</sup>	\$ .916 <sup>r</sup>	\$37.32 <sup>r</sup>	40.8 <sup>r</sup>	\$1.360 <sup>r</sup>	\$57.55 <sup>r</sup>	42.3
June, 1947.....	.987	39.73	40.3	1.335	56.46	42.3	.979	40.97	41.8	1.459	63.60	43.6

NOTE: This table brings up to date figures published in *The Conference Board Management Record*, May, 1947, p. 128.



TABLE 2: EARNINGS AND HOURS IN PRODUCTION AND DISTRIBUTION OF GAS AND ELECTRICITY, BY SKILL, JANUARY AND JUNE, 1947

Source: THE CONFERENCE BOARD

Date and Region	ALL WAGE EARNERS								UNSKILLED					SEMI-SKILLED AND SKILLED				
	Average Hourly Earnings	Average Weekly Earnings	Average Hours per Week per Wage Earner	Indexes, 1923=100				Average Hourly Earnings	Average Weekly Earnings	Average Hours per Week per Wage Earner	Indexes, 1923=100		Average Hourly Earnings	Average Weekly Earnings	Average Hours per Week per Wage Earner	Indexes, 1923=100		
				Hourly Earnings		Weekly Earnings					Hourly Earnings	Weekly Earnings				Hourly Earnings	Weekly Earnings	
				Actual	Real	Actual	Real											
GAS																		
January, 1947																		
United States...	\$1.206r	\$53.41r	43.8	225.8r	183.6r	205.2r	166.8r	\$.984	\$40.59r	41.3r	219.2	195.4r	\$1.261r	\$56.12r	44.5r	219.7r	191.7r	
East.....	1.199	50.66	42.3	a	a	a	a	.989	40.89	41.3	a	a	1.243	52.79	42.5	a	a	
South.....	1.076r	45.48r	42.3r	a	a	a	a	.799r	30.43r	38.0r	a	a	1.218r	54.56r	44.8r	a	a	
Middle West...	1.252	57.51	45.9	a	a	a	a	1.076	45.23	42.0	a	a	1.291	60.56	46.9	a	a	
Far West.....	1.209	57.70	47.7	a	a	a	a	.985	45.62	46.3	a	a	1.299	62.70	48.3	a	a	
June, 1947																		
United States...	1.261	53.12	41.5	236.1	188.3	204.1	162.8	1.013	40.80	40.3	225.6	196.4	1.345	56.41	41.9	234.3	192.7	
East.....	1.285	53.23	41.4	a	a	a	a	1.032	42.30	41.0	a	a	1.349	56.02	41.5	a	a	
South.....	1.149	47.96	41.7	a	a	a	a	.931	37.70	40.5	a	a	1.328	56.84	42.8	a	a	
Middle West...	1.295	53.66	41.4	a	a	a	a	1.081	42.41	39.2	a	a	1.358	57.15	42.1	a	a	
Far West.....	1.213	51.02	42.1	a	a	a	a	1.001	40.57	40.6	a	a	1.264	53.63	42.4	a	a	
ELECTRICITY																		
January, 1947																		
United States...	\$1.316r	\$56.48r	42.2r	215.7r	175.4r	191.1r	155.4r	\$.975r	\$40.20r	41.2	204.4r	195.7	\$1.379r	\$58.45r	42.4r	216.5r	184.3r	
East.....	1.347	55.77r	41.4r	a	a	a	a	1.021	42.16r	41.3r	a	a	1.387	57.46r	41.4r	a	a	
South.....	1.171	50.19	42.8	a	a	a	a	.822	33.72	41.0	a	a	1.284	55.82	43.5	a	a	
Middle West...	1.373r	58.27r	42.5	a	a	a	a	1.104	45.66	41.4	a	a	1.421r	60.63r	42.7	a	a	
Far West.....	1.418	62.98	44.4	a	a	a	a	1.095	46.44	42.4	a	a	1.465	65.50	44.7	a	a	
June, 1947																		
United States...	1.395	60.94	42.7	228.7	182.4	206.2	164.4	1.025	42.64	41.6	214.9	207.6	1.464	62.83	42.9	229.8	193.1	
East.....	1.465	61.41	41.9	a	a	a	a	1.110	45.99	41.4	a	a	1.509	63.35	42.0	a	a	
South.....	1.238	53.71	43.4	a	a	a	a	.875	36.62	41.9	a	a	1.349	59.21	43.9	a	a	
Middle West...	1.410	60.80	43.1	a	a	a	a	1.106	46.02	41.6	a	a	1.467	63.70	43.4	a	a	
Far West.....	1.505	65.46	43.5	a	a	a	a	1.110	44.61	40.2	a	a	1.564	68.88	44.0	a	a	

NOTE: This table brings up to date figures published in *The Conference Board Management Record*, May, 1947, p. 129.

c1923 data not available.

earnings of both groups were increased slightly in spite of decreases in their working hours.

### ELECTRICITY

Both the hourly and the weekly earnings of workers engaged in the generation and distribution of electricity were at new peak levels in June. Their hourly earnings were 6.0% greater than in January, and since they worked longer hours in the later month, their weekly earnings rose even more, the June average of \$60.94 being 7.9% above the January level. As in the past, the electricity workers averaged higher earnings, both for an hour and for a week, than the workers in the gas industry. In this latest survey the difference in the weekly earnings for the two industries was almost \$8, although in January it was only a little more than \$3. This difference was caused by the changes in working hours. In June, the work week in the electricity industry was longer than that in the gas industry; in January the opposite was true.

The workers in the Far West had the highest hourly and weekly earnings in both January and June, and those in the South the lowest. Increases were registered in hourly and weekly earnings between January and June in all four regions. The greatest rises were

in the East, where hourly earnings advanced 8.8%, and weekly earnings 10.1% in the five months between the two surveys. The Middle West showed the smallest changes—2.7% and 4.3%, respectively. Working hours were decreased 0.9 hour, or 2.0%, in the Far West, but in each of the other three regions the work week was increased approximately half an hour.

In all four regions, the electricity workers had a longer work week than the men in the gas industry.

The distribution of workers in the skilled and unskilled groups in the electricity industry has not varied as has that in the other utility. In July, 1941, before we entered the war, the unskilled workers made up 17.7% of the total, and this June they constituted 16.0%. In between these two dates the proportion dropped somewhat but the lowest point reached was the 13.8% of January, 1945. Hourly earnings of both the skilled and unskilled workers were higher in June than in the previous survey and working hours were lengthened for both groups. The skilled workers' weekly earnings were increased 7.5% between January and June, and those of the unskilled 6.1%.

ELIZABETH P. ALLISON  
Statistical Division



## Wage Increase Announcements, September, 1947

Company	Type of Worker <sup>1</sup>	Increase			Previous Rate or Range		Remarks
		Amount	Date Effective	Number Affected	Rate	Effective	
Alabama Dry Dock & Shipbuilding Co. Mobile, Ala.	WE	\$.12 hr.	8-18	3,200	\$1.38 hr. (1st class)	1946	(Industrial Union of Marine & Shipbuilding Workers, CIO)
*American Box Company..... Cleveland, Ohio	S WE	\$.12 hr. \$.10 hr.	8-18 n.a.	890 250	n.a. n.a.	1946 n.a.	(No union) Also paid Labor Day holiday. Increase announced 8-26, represents temporary settlement pending further contract negotiations. (United Furniture Workers, CIO)
*Association of American Railroads...	WE	\$.15½ hr.	9-1	1,000,000	\$1.027 average	5-25-46	(17 nonoperating brotherhoods)
Atlantic Refining Company..... Philadelphia, Pa.	WE	17%	9-1	13,000	n.a.	n.a.	Temporary cost-of-living increase expiring 2/1/48 Similar increase given to employees in Atlantic Seaboard, Middle West and Texas regions. (Atlantic Employees Union)
Building Trades Employers Association New York, N. Y.	WE	\$.28 hr.	6-1	n.a.	\$1.50 hr.	n.a.	Mason tenders
		\$.30 hr.	8-1	n.a.	\$2.00 hr.	n.a.	Painters. Outside work at \$2.629 hr.
		\$.25 hr.	8-1	n.a.	\$1.50 hr.	n.a.	Plumbers' laborers
		\$.45 hr.	8-14	n.a.	\$2.30 hr.	n.a.	Asbestos workers
		\$.17½ hr.	8-14	n.a.	\$1.72½ hr.	n.a.	Asbestos workers' helpers
		\$.25 hr.	8-21	n.a.	\$2.50 hr.	n.a.	Boilermakers
		\$.20 hr.	8-21	n.a.	\$2.20 hr.	n.a.	Boilermakers' helpers
		\$.20 hr.	8-14	n.a.	\$2.30 hr.	n.a.	Cement masons
		\$.25 hr.	10-2	n.a.	\$2.50 hr.	n.a.	Metallic lathers
		\$.25 hr.	8-14	n.a.	\$2.50 hr.	n.a.	Slate and tile roofers
		\$.45 hr.	7-21	n.a.	\$2.30 hr.	n.a.	Steamfitters
		\$.17½ hr.	7-21	n.a.	\$1.72½ hr.	n.a.	Steamfitters' helpers
		\$.25 hr.	8-21	n.a.	\$2.50 hr.	n.a.	Structural iron workers
		\$.45 hr.	n.a.	n.a.	\$2.30 hr.	n.a.	Sheet metal workers
		\$.15 to	8-14	n.a.	\$2.50 to	n.a.	Hoisting engineers
		\$.25 hr.			\$2.85 hr.		
		\$.25 hr.	9-15	n.a.	\$2.25 hr.	n.a.	Riggers and machine movers (Agreements negotiated with local unions affiliated with the Building & Construction Trades Council.)
*Collier owners.....	WE	5%	6-16	150	See remarks	n.a.	Also overtime pay at the rate of \$1.60 hr. for holiday work performed at sea by all officers except captains. Increase to officers on 35 colliers operating in the New England coastwise coal trade. Previous rates: \$300 (mates) to \$600 (masters). (Masters, Mates & Pilots Union, AFL)
The B. F. Goodrich Company..... Akron, Ohio	WE	None See remarks	9-1	20,000	n.a.	n.a.	Six paid holidays; also severance pay after 10 or more years' continuous service to equal 1 month's pay for every five years of service prior to age 65 and proportionately for any completed years of continuous service prior to 65 in excess of those divisible by 5, except where members of retirement plan will ordinarily have had company contributions toward retirement income above amount of severance award. Other special arrangements to apply to particular circumstances. Covers employees in Akron, Ohio; Cadillac, Mich.; Clarksville, Tenn.; Los Angeles, Calif.; Miami, Okla.; Oaks, Pa.; and Tuscaloosa, Ala. (Int. Union United Rubber, Cork, Linoleum and Plastic Workers, CIO)
*Hartford General Contractors Association	WE	\$.10 hr.	n.a.	1,800	\$1.25 hr.	n.a.	Unskilled laborers in the Greater Hartford area and New Britain, Conn. Foremen received a 20% increase, bringing their average earnings to \$1.62 hr. Contracts signed Aug. 21. (Int. Hod Carriers, Building and Common Laborers Union, AFL)
Hollingsworth & Vose Company..... East Walpole, Mass.	WE	\$.14 hr.	7-1	186	n.a.	n.a.	Time and one half for Saturdays. Four extra paid holidays, making a total of six. Double time after twelve hours. Double time for six holidays if worked by employees not normally scheduled to work on those days. Current minimum common labor rate \$1.06 hr. (United Paper Workers, CIO)
	S	10%	7-1	55	n.a.	n.a.	(No union)

<sup>1</sup>Type of worker: S—salaried employees; WE—wage earners.

\*Obtained from press reports. Information not verified by company.

n.a. Not available



## WAGE INCREASE ANNOUNCEMENTS, SEPTEMBER, 1947—Continued

Company	Type of Worker <sup>1</sup>	Increase			Previous Rate or Range		Remarks
		Amount	Date Effective	Number Affected	Rate	Effective	
*Hotel Association of New York City.	WE	\$2.00 to \$4.00 wk.	6-1	35,000	n.a.	n.a.	Also new medical plan (New York Hotel Trades Council, AFL)
Huck Manufacturing Company..... Detroit, Mich.	WE	\$.15 hr.	9-15	77	\$1.51 hr.	6-30-47	(UAW-CIO)
*Interstate Transportation Co..... Taunton, Mass.	WE	\$.05 hr.	n.a.	n.a.	n.a.	n.a.	Also one-week vacation. Settlement announced 8-24. (Union, if any, not given.)
*Kensington Shipyard & Drydock Corporation Philadelphia, Pa.	WE	\$.12 hr.	n.a.	500	n.a.	n.a.	Agreement announced 8-22. (Industrial Union of Marine & Shipbuilding Workers, CIO)
*Kirsten Pipe Co..... Seattle, Wash.	WE	\$.12½ hr.	n.a.	n.a.	See remarks	n.a.	Contracts also provide for union shop, 6 paid holidays and liberalized vacations. Current wage rates for four classes of employees range from \$1.06½-\$1.36½ at hiring to \$1.18½-\$1.43½ after 30 days' employment. Settlement announced 8-23. (Int. Assn. Machinists, Ind.)
*Laclede Gas Light Company..... St. Louis, Mo.	WE	\$.10 hr.	n.a.	n.a.	n.a.	n.a.	Increase announced 9-10. (Int. Union Operating Engineers, AFL)
Lever Brothers Company..... Cambridge, Mass.	WE	\$.12½ hr.	8-25	2,500	See remarks	See remarks	Previous increase was \$.10 hr. for wage earners and \$.50 wk. for salaried employees, effective 3-14-47. CIO union granted 3 weeks' vacation after 15 years' service and other minor benefits extended to the AFL and independent unions in March. Five plants and three unions involved: St. Louis, Mo. (independent union), Cambridge, Mass.; Baltimore, Md.; Edgewater, N. J. (Int. Chemical Workers, AFL) and Hammond, Ind. (United Gas, Coke and Chemical Workers, CIO). (No union for salaried workers.)
	S	\$5.00 wk.	8-25	500	See remarks	See remarks	Increase announced 9-5. (Union, if any, not given.)
*Liberty Rice Mill..... Kaplan, La.	WE	\$.10 hr.	n.a.	n.a.	\$.40 hr.	n.a.	Agreement also provides for time and one half for over 8 hours of work per day and for Saturdays. (Int. Bro. of Teamsters, AFL)
*Lumber Institute of Allegheny County Pittsburgh, Pa.	WE	\$.17½ hr.	6-1	n.a.	n.a.	n.a.	(UAW-CIO)
*The Glenn L. Martin Company..... Baltimore, Md.	WE	\$.07 hr.	8-1	n.a.	n.a.	n.a.	Also payment for all legal holidays still remaining this year. Agreement reached 8-26 (Int. Assn. Machinists, Ind.)
*Mills Company..... Cleveland, Ohio	WE	\$.11½ hr.	n.a.	125	n.a.	n.a.	(Bro. of Railway Clerks and Bro. of Blacksmiths, both AFL, and Int. Assn. Machinists, Ind.)
*Railway Express Agency.....	WE	\$.15½ hr.	9-1	75,000	\$1.17 to \$1.19½ hr. average	n.a.	Settlement, reached 9-19, provides for guaranteed weekly salary of between \$30 and \$35, depending on season, plus 40% commission. As bonus for signing, the drivers received their total take on Sept. 20. Previous salary: \$30 week plus 40% commission. (Transport Workers Union, CIO)
*Yellow Cab Company..... Chester, Pa.	WE	See remarks	n.a.	90	See remarks	n.a.	